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HOUSING FINANCE AUTHORITY OF LEE COUNTY, FLORIDA
MULTIFAMILY RENTAL HOUSING BOND PROGRAM

APPLICATION FORM

A. DEVELOPER INFORMATION:

1. Applicant Name: Punta Gorda Housing Authority (PGHA)
2. Name of Owner for Inducement Resolution: Gulf Breeze Apartments Partners, Ltd.
3. Type of Entity (e.g., Florida corporation, Limited Partnership, etc.): Limited Company
4. Address: 340 Gulf Breeze Ave, Punta Gorda, FL 33950
5. Contact Person: Kurt Pentelecuc
6. Telephone and fax: Telephone - (941) 639-4344. Fax - (941) 639 1753.
7. E-Mail address, if any: kurt@puntagordaha.org

B. PROJECT INFORMATION:

1. Project Name: Gulf Breeze Apartments
2. Location & Approximate Acreage: (name incorporated area if applicable); Strap # of the actual parcel of real property that the proposed Project is to be constructed on and, if the real property is part of a larger parcel of property, please clearly note that such is the case: 340 Gulf Breeze Ave, Punta Gorda, FL 33950. Charlotte County Parcel ID# 412306485007. Site acreage is approximately 12.13 acres.
3. Describe Neighborhood Characteristics (residential, commercial, housing, recreational, economic, etc.) and land usage of all property bordering project site: Gulf Breeze Apartments is located East of Downtown Punta Gorda within the Punta Gorda City limits, within a neighborhood consisting of mostly residential, but with commercial, public and recreational uses as well. Bordering land usage includes:
   To the North: Residential and Public County School (Baker Center)
   To the East: Recreational (South County Regional Park & Recreation Center)
   To the South: Residential
   To the West: Commercial

4.	#Units	Sq.Ft./Unit	Rents	#Bathrooms	Market Rate	Set Aside
Studio	____	________	____	________	_______	___
1BR:	56	724	$496-$825	1 Bathroom	1 unit	40-60% AMI for 55 units
2BR:	75	1,131-1,157	$594-$992	1.5-2 Bathrooms	1 unit	40-60% AMI for 74 units
3BR:	36	1,307-1,323	$690-$1,150	2-2.5 Bathrooms	1 unit	40-60% AMI for 35 units
4BR:	4	1,471	$776-$1,285	2.5 Bathrooms	None	40-60% AMI for 4 units
TOTAL/ AVERAGE	171	1,057	$910	N/A	N/A	N/A

5. Describe status and method of site control/acquisition, the time period for which the agreement is effective and the purchase price to be paid:
The Applicant currently holds a ground lease for Gulf Breeze Apartments from the Punta Gorda Housing Authority through 2070. At financial closing the ground lease and the partnership agreement will amended and restated, and the ground lease will have a term of at least 65 years.

6. Is this project designated to serve a specific target group? (i.e., elderly, handicapped)
Yes () No (X) If yes, please specify:

7. Describe project amenities:
Gulf Breeze Apartments features a club house with a business center and a fitness center, and outdoor recreation areas including a playground and a sand volleyball court.

8. Will any units be accessible to the handicapped? Yes (X) No ( ) How many? 9 units

9. Type of building: Elevator ( ) Walk Up (X)
Townhouse ( ) Detached ( )
Semi-detached ( )

10. Number of stories: 2 & 3 story buildings Units per building: 3-4 units per building

11. Type of projects: New construction ( ) Rehabilitation (X)

12. Describe how the Applicant's proposed Project may deal with any environmental issues, if applicable. Does the proposed Project include any energy efficient and/or environmentally friendly characteristics? The Applicant is not aware of any existing environmental issues at the property, and should any environmental issues arise during rehabilitation we will work to remedy those issues under the guidance of environmental professionals. The Applicant plans to include energy efficient appliances in the kitchens, low-flow toilets & shower heads, and LED lighting where appropriate. The Applicant is open to discussing additional energy efficient options for the redevelopment with the HFA.

13. Does the current land use and zoning permit the proposed development at the proposed density?Yes (X) No ( ) If no, explain:

14. What is the current zoning on the property? NR-15

15. Is platting required for your building permit? If so, where are you in the process and what is your expected approval date? No.

16. If the Applicant is now or will be a 501(c)(3) entity during the time before any obligations are to be issued by the Authority, Applicant shall provide the Authority with proof of notification of all applicable ad valorem taxing authorities of the proposed issuance of the bonds. In addition, Applicant shall provide the Authority with a detailed report describing whether or not the Applicant has received or intends to receive an exemption from ad valorem taxation for the Project and (ii) whether or not the Applicant intends to make a payment to the local taxing jurisdiction or any other taxing jurisdiction in lieu of taxes. If the Applicant expects to receive an exemption from ad valorem taxation and will make no voluntary tax payments in lieu of taxes, Applicant shall provide a description of the community services or benefits that it will provide in lieu of the payment of taxes. The Applicant does not intend on applying as a 501(c)(3) entity.

17. Dollar amount of and percentage amount of the Bonds that are taxable. $0.00 / 0%

18. Proposed Project Schedule (subject to HFA's approval)

Activity	**Date**
Pass Inducement Resolution	November 2025
Obtain Credit Enhancement/Bond purchase commitment	January 2026
All necessary local approvals	October 2026
Final site plans & architectural drawings	July 2026
Real estate closings	November 2026
Issue Bonds	November 2026
Start construction or rehabilitation	November 2026
Complete construction or rehabilitation	July 2028
Start rent-up	May 2027*
Complete rent-up	August 2028*

** - Rent-up is estimated to begin once the rehab of the first units is completed and residents are moved into their new units, approximately 6 months after closing. Rent-up is estimated to end one month after the rehab of the final units is completed.*

C. FINANCING INFORMATION

Sources, uses, status

1. Sources: | Amount | Status of Financing Sources

Sources:	Amount	Status of Financing Sources
Bond Issue-Tax Exempt	$	**Please refer to Exhibit U for a breakdown of the sources & uses**
Bond Issue-Taxable		
Developer Contribution		
Others: *		
Total funding sources	$__________	

*Specify:______________

2. Uses: Amount

$

Total project costs $__________

3. Bonds financing information: Please describe the proposed bond structure:

Requested issue size: $32,000,000

Final Maturity: November 2045

Credit enhancement, if applicable: See Exhibit D

Has it been finalized? See Exhibit D

Contact person from credit enhancement institution: See Exhibit D

Variable Rate: Yes ( ) No (X) Describe: ______________________

Fixed Rate: Yes (X) No ( )

D. OTHER INFORMATION

1. Do you presently have an application for this project submitted elsewhere or has this project denied financing elsewhere? No.

2. How many and what type of projects have you completed in the Lee County, Florida Area? Between 2009 and 2016 the principals of PGHA's co-developer, Newstar Development, completed Renaissance Preserve Phases I-IV in Fort Myers, FL in partnership with the Housing Authority of the City of Fort Myers. This redevelopment project delivered 292 total affordable housing units, including 120 Senior units and 172 Family units. Refer to Exhibit A for additional developer history & experience.

3. Proposed Architect:
Firm: Forum Architecture   Phone: (407) 830-1400
Contact Person: Steve Silveira

4. Proposed Managing Agent:
Firm: Norstar Accolade Property Management   Phone: (214) 496-0600
Contact Person: Stephanie Baker

5. Proposed Contractor:
Firm: Brooks & Freund   Phone: (239) 939-5251
Contact Person: Richard Freund

6. Proposed Developer's Attorney:
Firm: Stearns Weaver Miller   Phone: (305) 789-3350
Contact Person: Brian McDonough

7. Applicant shall provide the Authority with notice of any proposed changes to the Application as initially approved. Applicant reserves the right to determine if, after review of the proposed changes, whether or not it wants to proceed with the inducement and funding of the Project. <u>The applicant acknowledges this statement.</u>

ALSO REQUIRED WITH THIS APPLICATION FORM WILL BE THE FOLLOWING:

a. Provide a statement describing the Applicant, including history and operations in prior completed tax exempt and/or taxable bond-financed housing projects up to a maximum of ten (10) years. Also, please provide the names, addresses, financial statements and resumes for each of the key principals of the Applicant. The resumes should specifically address each principal's experience that is relevant to the proposed housing development. See Exhibit A.

b. Provide a breakdown of the project costs, including hard construction cost, construction period interest expenses (indicate construction period and unit absorption) and other soft costs including developer fees, land acquisition and site development costs. The pro forma should be based on the highest "all in" bond interest rate that would allow the project to be feasible and should include estimated operating expenses from the time the bonds are closed through the estimated stabilized rent/expense period. See Exhibit B.

c. Provide the project pro forma cash flow statement, which has been or will be submitted to your lender/credit enhancer. This statement should include all phases of project development including financing and construction phase, and rent up through stabilization. See Exhibit C.

d. Provide a statement as to the anticipated structure and security for the bonds (i.e., lender loan, letter of credit enhancement, term of financing, fixed rate or "low floater", "put" featured, etc.). See Exhibit D.

e. Provide a market study indicating the need for the type and cost of the housing being proposed based on local market conditions, and indicate the extent of competition within the vicinity of the project including vacancy rates and market absorption of units at prevailing rent levels. See Exhibit E.

f. Provide an area map indicating the location of the project relative to major highways or other developments. See Exhibit F.

g. Provide a project site plan (or general layout of project), with anticipated unit floor plans and elevations. See Exhibit G.

h. Attach audited financial statements for the Applicant(s) for the preceding three (3) years, if available, the general partner and the developer if different, also provide a list of references which may be contacted regarding the Applicant's credit and, if possible, a reference from another housing finance authority which has issued bonds to finance the applicant's projects. See Exhibit H.

i. Copy of warranty deed or executed contract to purchase evidencing site control by Applicant and a copy of the ad valorem tax bill for the subject property for the most current year. See Exhibit I.

j. Letter of verification to the Applicant from the applicable planning and zoning department that the land use will permit the proposed project at the proposed density, concurrency items (availability, capacity, for the number of units, and at this particular site) i.e., meets the requirements for the type and number of units proposed by the Applicant for such site, and lists the steps and processes remaining to pull building permits. See Exhibit J.

k. Letter to the Applicant from the applicable utilities department verifying availability of water and sewer and status of reservation of such. See Exhibit K.

l. Letter to the Applicant from County/City/South Florida Water Management District (where applicable) regarding the status of drainage permits necessary for project. See Exhibit L.

m. MAI appraisal and site plan as approved. (Note: appraisal may be presented prior to public hearing or Volume Cap request, at the discretion of the Authority). See Exhibit M.

n. Credit enhancement/lender/financing commitment. See Exhibit N.

o. Preliminary syndication offering statement, if applicable. <u>See Exhibit O.</u>

p. Construction timetable. <u>See Exhibit P.</u>

q. Legal description of site. <u>See Exhibit Q.</u>

r. A complete list of all property owners and their mailing addresses, for all property within five hundred (500) feet of the perimeter of the property that is the subject of Applicant's Application. Names and addresses of property owners will be deemed to be those appearing on the latest tax rolls of Lee County, Florida. Information may be obtained from the Lee County Property Appraiser's office. In addition, a summary of what efforts the Applicant has taken to notify said property owners of the proposed Project and the results of said efforts. See Exhibit R.

s. With Respect to all Applicants, their Parents, Owners and Principals, please provide the following information with respect to Litigation, Tax Liens and Bankruptcies within the past five years:

<u>Neither the Applicant, nor their Parents, Owners, or Principals, have been involved in Litigation, Tax Liens or Bankruptcies within the past five years.</u>

Name:

Address:

Corporate ID or Social Security Number:

Criminal:

Court, Location and Case Number:

Date Filed:

Nature of Charge:

Status or Disposition:

Civil:

Court Location and Case Number:

Date Filed:

Nature of Suit:

Status or Disposition:

Tax Liens:

Corporate ID or Social Security Number:

Place Filed: (Court/City/State)

Total Amount of Liens:

Date Filed:

Date of Satisfaction, if any:

Bankruptcy:

Name:

Address:

Corporate ID or Social Security Number:

Title and Nature of Proceedings:

Name and Address of Court and Case Number:

Date Filed:

Status or Disposition:

t. State the amount of compensation paid by the Applicant and/or its affiliates, if any, to Philip L. Burnett, P.A., Nabors, Giblin & Nickerson, P.A., Raymond James & Associates, Inc., RBC Capital Markets, and First Southwest Company within the past five (5) years and the purpose for such payment. Further, describe the fee agreement or arrangement, if any, that the Applicant and/or its affiliates have with any of the parties named in the preceding sentence with respect to this proposed project. See Exhibit T.

It is hereby certified that the foregoing information is true and correct to the best of my knowledge, and Applicant agrees to pay all fees as stated above in connection with this financing. The person signing this Application is an authorized representative of the Borrower with the authority to make the certification and agreement contained herein.

Dated this _____ day of ___________________, 20__.

Signature of Preparer:

____

CERTIFICATION OF UNDERSTANDING

I, ___________________________, representing ________________________, have read and understand the Federal requirements and the Housing Finance Authority of Lee County, Florida's Application Procedures and Program Guidelines ("Authority Guidelines") which outline the policies of the Authority and the requirements of the Internal Revenue Code as applied to tax exempt Multi-Family Mortgage Revenue Bonds, and hereby agree to adhere to and abide with the Federal requirements and Authority Guidelines.

______________________________ ______________________________

SIGNATURE Date

Exhibit A.

DEVELOPER HISTORY &
EXPERIENCE

APPLICANT HISTORY AND EXPERIENCE

Gulf Breeze is a co-development between Newstar Development, LLC (Newstar) and the Punta Gorda Housing Authority (PGHA). These co-developers recently completed the Verandas of Punta Gorda III development in Punta Gorda. Gulf Breeze is the redevelopment of an existing family affordable community that was completed in 2009.

The Applicant entity includes affiliates from both Newstar and PGHA.

History and Operations

PGHA completed the original Gulf Breeze development with Norstar Development USA, LP, the former firm of Rick Higgins, who is now a Newstar principal. PGHA and Norstar completed this development in 2009, and Norstar served as the Managing General Partner through the full 15-year compliance period. Gulf Breeze utilized 4% non-competitive bonds for the original development.

Newstar's principals have completed two tax-exempt bond projects since 2020, have closed one tax-exempt project in 2025, and will close one additional tax-exempt project in Q3 of 2025.

Venetian Walk II. Newstar's principals completed Venetian Walk II with the Venice Housing Authority (VHA) in 2020. This was a 52-unit family affordable development that received tax-exempt bonds from the Lee County HFA. Venetian Walk II's financing also included LIHTC equity from RBC, construction and permanent loans from Chase and Neighborhood Lending Partners, SAIL financing from Florida Housing Finance Corporation (FHFC), local government loans from the City of Venice, City of Sarasota, and Sarasota County, and VHA funds. Newstar's affiliate property manager has managed Venetian Walk II since completion.

Jordan Park. Newstar's principals completed Jordan Park with the St. Petersburg Housing Authority (SPHA) in 2023. This redevelopment included the acquisition and rehabilitation of 206 family affordable units and the new construction of 60 senior affordable units. Jordan Park's financing included tax-exempt bonds issued by the Pinellas County HFA, LIHTC equity from RBC, construction and (agency) permanent debt from KeyBank, a City of St. Petersburg loan, and SPHA funds. SPHA has managed Jordan Park since completion.

Woodland Park II. Newstar closed on Woodland Park II, a co-development with the Gainesville Housing Authority, in June 2025. This redevelopment of an existing public housing community replaces 79 functionally obsolete units with 144 units of new construction family affordable housing. Woodland Park II includes tax-exempt and taxable bonds issued by the Alachua County HFA, LIHTC equity from RBC, SAIL and HOME ARPA funds from FHFC, City of Gainesville ARPA funds, and GHA funds. Newstar's affiliate property manager will manage Woodland Park II after completion in December 2026.

Driftwood Terrace. Newstar expects to close on Driftwood Terrace, a co-development with the Hollywood Housing Authority (HHA), in October 2025. This is an acquisition-rehab of an existing, 90-unit senior public housing community. Driftwood Terrace includes tax-exempt bonds issued by the Broward County HFA, LIHTC equity from RBC, and construction and permanent loans from Citi. Newstar has engaged NDC to serve as property manager because Newstar's affiliate manager does not have a presence in Broward County.

Key Principals

Brian Evjen, President

Brian is Newstar's President and is responsible for overseeing all the company's projects. In this role, he is responsible for managing all aspects of affordable housing development, including identification of projects, site development, construction, financing, operations, and compliance.

Mr. Evjen has over 20 years of experience in real estate development and finance, and has developed a diverse blend of project types, including market rate and affordable multifamily, mixed use, and commercial spaces. He has experience in the development of housing for elderly, families, and homeless populations.

Mr. Evjen has successfully redeveloped urban infill sites, developed and rehabilitated multiple units in historic districts, and successfully achieved LEED Gold and Silver certification on three separate projects in Florida. In addition, he has been involved in the planning, development, and financing of more than 2,000 market rate and affordable housing units and has secured funding from multiple funding sources including LIHTC, AHP, CDBG, SHIP, HOME, and New Markets Tax Credits.

Mr. Evjen will work on all aspects of the project and will serve as the project manager for Newstar on development projects. His existing time commitments are to manage Newstar's other Florida projects, but these commitments will not impact his ability to effectively develop new properties. He is based in Tampa, Florida.

Justin Corder, Vice President

Justin is Newstar's Vice President. In this role, he is responsible for affordable housing development, including identification of projects, zoning and entitlements, site development, construction, financing, operation, and compliance.

Prior to joining Newstar, Mr. Corder's affordable housing experience began with his position as an Acquisition Manager at Raymond James Tax Credit Funds (RJTCF) in St. Petersburg, FL. RJTCF is one of the leading sponsors for low-income housing tax credits nationwide, syndicating more than $9 billion in equity. Before forming Newstar, Mr. Corder served as Development Manager for Norstar Development.

Mr. Corder will report to Mr. Evjen and will work on all aspects any new development projects. His existing time commitments are to manage and assist on Newstar's other projects, but these commitments will not impact his ability to effectively develop new properties. He is based in Tampa, Florida.

Richard Higgins, Principal

Richard is a principal and Manager with Newstar. Mr. Higgins has a unique combination of public and private development expertise, having served as the New York State Housing Commissioner from 1988-1990. During his term as Commissioner, he was responsible for all of New York State's affordable housing programs.

Mr. Higgins has served as a partner in the law firm of Roemer and Featherstonehaugh in Albany, New York where he acted as counsel in connection with the development and financing of institutional, commercial and federal housing projects. He specialized in state and federal housing programs, not-for-profits and community development. Mr. Higgins is a graduate of the University of Michigan and the Columbia School of Law. He has served on the boards of several not-for-profit housing organizations and was an Adjunct Assistant Professor of Law at Fordham University. Mr. Higgins splits his time between Saratoga Springs, New York and Tampa, Florida.

Financials

Newstar and PGHA financial statements are included as an Exhibit to this application.

Exhibit B.

PROJECT COSTS

Gulf Breeze - Development Budget - 4% TC - 171 Family Rehab Units

9/30/2025

	USE OF FUNDS	Total			Basis	Non-Basis
1	Land	2,570,000				2,570,000
2	Structures	26,620,000			26,620,000	
3	**TOTAL**	**29,190,000**			**26,620,000**	**2,570,000**
4	**Payoff of Tax Exempt Perm Loan**	**2,257,069**				**2,257,069**
5	Appraisal	20,000			20,000	
6	Mkt. Study	10,000				10,000
7	Survey	30,000			30,000	
8	Environmental Reports	20,000			20,000	
9	Building Permit	100,000			100,000	
10	Architect Fees	300,000			300,000	
11	Archtect Supervision	100,000			100,000	
12	Engineering	75,000			75,000	
13	Green Cert Fees	30,000			30,000	
14	Legal	400,000			321,800	78,200
15	Cost Cert. Audit	50,000				50,000
16	Builder's Risk Insurance	800,000			800,000	
17	Taxes	130,000			130,000	
18	Title & Recording	150,000			150,000	
19	FHFC Application Fee	3,000				3,000
20	FHFC Compliance Fees	220,000				220,000
21	FHFC Credit Underwriting Fees	30,000				30,000
22	Const. Inspector/Section 3	100,000			100,000	
23	Other: LIHTC Admin Fee 4%	247,730				247,730
24	Soft Cost Contingency	140,786			140,786	
25	**TOTAL SOFT**	**5,213,585**			**2,317,586**	**2,895,999**
26	Construction Loan Fees (1%)	320,000			320,000	
27	Perm Loan Fees ($10,000 + $25,000)	35,000				35,000
28	Cost of Issuance	600,000				600,000
29	Interim Interest	4,800,000			2,835,433	1,964,567
30	Closing (inc. Bank, Investor, Perm)	250,000			175,000	75,000
31	Accrued Capitalized Interest During Construction	1,459,500			1,459,500	
32	**TOTAL FINANCIAL**	**7,464,500**			**4,789,933**	**2,674,567**
33	Site Work	700,000			700,000	
34	Demolition	800,000			640,000	160,000
35	**SUBTOTAL-SITE PREP**	**1,500,000**			**1,340,000**	**160,000**
36	Rehab of Residential	10,500,000			10,500,000	
37	Community	500,000				500,000
38	General Requirements (6%)	750,000			750,000	
39	Bond Premium	125,000			125,000	
40	Liability Insurance	125,000			125,000	
41	**Subtotal Contractors Costs**	**13,500,000**			**12,840,000**	**660,000**
42	Builder's Overhead (2%)	250,000			250,000	
43	Builders Profit (6%)	750,000			750,000	
44	**TOTAL CONT. COSTS**	**14,500,000**	**84,795**	**per unit**	**13,840,000**	**660,000**
45	Const. Contingency (15%)	2,175,000			2,175,000	
46	**TOTAL DEV. COSTS**	**58,543,085**			**49,742,520**	**8,800,565**
47	Developers Fee (12%)	6,529,922	9,794,883	18.00%	6,529,922	
48	PGHA Developer Fee (6%)	3,264,961			3,264,961	
49	Supp. Mgmt.&Mktg.Fee	100,000				100,000
50	Purch. of Maint. Equip.	100,000			100,000	
51	**TOTAL WORKING CAP.**	**200,000**			**100,000**	**100,000**
52	**PROJECT RESERVES**					
53	Oper Reserve	1,094,563				1,094,563
54	**TOTAL RESERVES**	**1,094,563**				**1,094,563**
55	**ADMIN. COSTS**					
56	Relocation	500,000			500,000	
57	**TOTAL ADMIN COSTS**	**500,000**			**500,000**	
58	**Existing Debt (RRLP Loan)**	**2,308,500**				**2,308,500**
59	**TOTAL PROJ. COSTS**	**72,441,031**			**60,137,403**	**2,308,500**
	TOTAL	**72,441,031**			**60,137,403**	**12,303,628**

EXHIBIT C.

PRO FORMA CASH FLOW
STATEMENT

Rent Plan: 171 Family Rehab Units - 90% PBV / 10% RAD for 85 ACC units												9/30/2025						
						Total Units	SF	Rentable SF		UA Garden (2025)*	40% (2025)	60% (2025)	FMR (2025)	110% of FMR		RAD Eff. Rent (2024)		
40% AMI	PBV	Monthly Rent	Total														*Includes UA	
1BR1BA	8	1,114	8,912		1BR1BA	56	724	40,544		162	658	987	1,160	1,276	1BR	645		
2BR1.5BA (TH)	11	1,411	15,521		2BR1.5BA (TH)	71	1,157	82,147		196	790	1185	1,461	1,607	2BR	812		
2BR/2BA	1	1,414	1,414		2BR/2BA	4	1,131	4,524		193	790	1185	1,461	1,607	2BR	812		
3BR/2BA	1	2,032	2,032		3BR/2BA	2	1,307	2,614		220	913	1,370	2,047	2,252	3BR	1,137		
3BR/2.5BA (TH)	4	2,029	8,116		3BR/2.5BA (TH)	34	1,323	44,982		223	913	1,370	2,047	2,252	3BR	1,137		
4BR/2.5BA	1	2,228	2,228		4BR/2.5BA	4	1,471	5,884		243	1,019	1,528	2,246	2,471	4BR	1,248		
	26		**38,223**			**171**	**1,057**	**180,695**	*	Includes Electric, Water, & Sewer. Trash expense included in operations								
60% AMI	**PBV**	**Monthly Rent**	**Total**		**60% AMI**	**RAD**	**Monthly Rent**	**Total**		**60% AMI**	**LIHTC**	**Monthly Rent**	**Total**		**Market**		**Monthly Rent**	**Total**
1BR1BA	17	1,114	18,938		1BR1BA	2	645	1,289		1BR1BA	28	825	23,100		1BR1BA	1	825	825
2BR1.5BA (TH)	22	1,411	31,042		2BR1.5BA (TH)	3	812	2,436		2BR1.5BA (TH)	34	989	33,626		2BR1.5BA (TH)	1	989	989
2BR/2BA	0	1,414	0		2BR/2BA	1	812	812		2BR/2BA	2	992	1,984		2BR/2BA	0	0	0
3BR/2BA	1	2,032	2,032		3BR/2BA	0	1,137	0		3BR/2BA	0	1,150	0		3BR/2BA	0	0	0
3BR/2.5BA (TH)	10	2,029	20,290		3BR/2.5BA (TH)	2	1,137	2,275		3BR/2.5BA (TH)	17	1,147	19,499		3BR/2.5BA (TH)	1	1,147	1,147
4BR/2.5BA	0	2,228	0		4BR/2.5BA	1	1,248	1,248		4BR/2.5BA	2	1,285	2,570		4BR/2.5BA	0	0	0
	50		**72,302**			**9**		**8,059**			**83**		**80,779**			**3**		**2,961**
Monthly Total			202,324															
Annual Total			2,427,894															
Vacancy, Bad Debt @ 5%			121,395															
			Year 1	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**	**11**	**12**	**13**	**14**	**15**	**16**
Net Rental Income			**2,306,499**	**2,352,629**	**2,399,682**	**2,447,675**	**2,496,629**	**2,546,561**	**2,597,493**	**2,649,442**	**2,702,431**	**2,756,480**	**2,811,609**	**2,867,842**	**2,925,199**	**2,983,702**	**3,043,377**	**3,104,244**
Misc.			25,650	26,163	26,686	27,220	27,764	28,320	28,886	29,464	30,053	30,654	31,267	31,893	32,530	33,181	33,845	34,522
TOTAL			**2,332,149**	**2,378,792**	**2,426,368**	**2,474,895**	**2,524,393**	**2,574,881**	**2,626,379**	**2,678,906**	**2,732,484**	**2,787,134**	**2,842,877**	**2,899,734**	**2,957,729**	**3,016,884**	**3,077,221**	**3,138,766**

		Year 1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
1	**Total Income**	**2,332,149**	**2,378,792**	**2,426,368**	**2,474,895**	**2,524,393**	**2,574,881**	**2,626,379**	**2,678,906**	**2,732,484**	**2,787,134**	**2,842,877**	**2,899,734**	**2,957,729**	**3,016,884**	**3,077,221**	**3,138,766**
2	Management	140,439	144,652	148,992	153,461	158,065	162,807	167,692	172,722	177,904	183,241	188,738	194,400	200,232	206,239	212,427	218,799
3	Management Fee (5%)	116,607	118,940	121,318	123,745	126,220	128,744	131,319	133,945	136,624	139,357	142,144	144,987	147,886	150,844	153,861	156,938
4	Accounting	10,950	11,279	11,617	11,965	12,324	12,694	13,075	13,467	13,871	14,287	14,716	15,157	15,612	16,080	16,563	17,060
5	Leasing/Marketing	7,790	8,024	8,264	8,512	8,768	9,031	9,302	9,581	9,868	10,164	10,469	10,783	11,107	11,440	11,783	12,137
6	General & Admin	30,450	31,364	32,304	33,274	34,272	35,300	36,359	37,450	38,573	39,730	40,922	42,150	43,414	44,717	46,058	47,440
7	Resident Retention	16,700	17,201	17,717	18,249	18,796	19,360	19,941	20,539	21,155	21,790	22,443	23,117	23,810	24,525	25,260	26,018
8	Compliance	12,967	13,356	13,757	14,169	14,594	15,032	15,483	15,948	16,426	16,919	17,427	17,949	18,488	19,042	19,614	20,202
9	**TOTAL**	**335,903**	**344,814**	**353,970**	**363,375**	**373,039**	**382,968**	**393,170**	**403,652**	**414,422**	**425,488**	**436,859**	**448,544**	**460,550**	**472,888**	**485,566**	**498,594**
10	Redecorating/Make Ready	5,405	5,567	5,734	5,906	6,083	6,266	6,454	6,647	6,847	7,052	7,264	7,482	7,706	7,937	8,176	8,421
11	Exterminating	6,960	7,169	7,384	7,605	7,834	8,069	8,311	8,560	8,817	9,081	9,354	9,634	9,923	10,221	10,528	10,843
12	Trash	30,000	30,900	31,827	32,782	33,765	34,778	35,822	36,896	38,003	39,143	40,317	41,527	42,773	44,056	45,378	46,739
13	Maintenance Payroll	112,631	116,010	119,490	123,075	126,767	130,570	134,487	138,522	142,678	146,958	151,367	155,908	160,585	165,402	170,364	175,475
14	Repairs & Maintenance	54,450	56,084	57,766	59,499	61,284	63,122	65,016	66,967	68,976	71,045	73,176	75,372	77,633	79,962	82,361	84,831
15	Other Maint. Contracts	2,155	2,220	2,286	2,355	2,425	2,498	2,573	2,650	2,730	2,812	2,896	2,983	3,073	3,165	3,260	3,357
16	Landscaping Service	40,984	42,214	43,480	44,784	46,128	47,512	48,937	50,405	51,917	53,475	55,079	56,731	58,433	60,186	61,992	63,852
17	**TOTAL**	**252,585**	**260,163**	**267,967**	**276,006**	**284,287**	**292,815**	**301,600**	**310,648**	**319,967**	**329,566**	**339,453**	**349,637**	**360,126**	**370,930**	**382,057**	**393,519**
18	Electricity	16,290	16,779	17,282	17,801	18,335	18,885	19,451	20,035	20,636	21,255	21,892	22,549	23,226	23,922	24,640	25,379
19	Water/Sewer	15,360	15,821	16,295	16,784	17,288	17,806	18,341	18,891	19,458	20,041	20,643	21,262	21,900	22,557	23,233	23,930
20	Gas	1,000	1,030	1,061	1,093	1,126	1,159	1,194	1,230	1,267	1,305	1,344	1,384	1,426	1,469	1,513	1,558
21	**TOTAL UTILITIES**	**32,650**	**33,630**	**34,638**	**35,678**	**36,748**	**37,850**	**38,986**	**40,155**	**41,360**	**42,601**	**43,879**	**45,195**	**46,551**	**47,948**	**49,386**	**50,868**
22	Real Estate Taxes	126,797	130,601	134,519	138,555	142,711	146,992	151,402	155,944	160,623	165,441	170,405	175,517	180,782	186,206	191,792	197,546
23	Payroll Burden	87,654	90,284	92,992	95,782	98,655	101,615	104,663	107,803	111,037	114,369	117,800	121,334	124,974	128,723	132,585	136,562
24	Property Ins.	525,965	541,744	557,996	574,736	591,978	609,738	628,030	646,871	666,277	686,265	706,853	728,059	749,900	772,397	795,569	819,436
25	**TOTAL**	**740,416**	**762,628**	**785,507**	**809,073**	**833,345**	**858,345**	**884,095**	**910,618**	**937,937**	**966,075**	**995,057**	**1,024,909**	**1,055,656**	**1,087,326**	**1,119,946**	**1,153,544**
26	Replace Res.	51,300	52,839	54,424	56,057	57,739	59,471	61,255	63,093	64,985	66,935	68,943	71,011	73,142	75,336	77,596	79,924
27	Admin Fee - 25 bpts & Trustee Fee - $	30,625	30,625	30,625	30,625	30,625	30,625	30,625	30,625	30,625	30,625	30,625	30,625	30,625	30,625	30,625	30,625
28	**Total Expenses**	**1,443,479**	**1,484,699**	**1,527,132**	**1,570,814**	**1,615,782**	**1,662,075**	**1,709,731**	**1,758,791**	**1,809,296**	**1,861,290**	**1,914,816**	**1,969,921**	**2,026,650**	**2,085,052**	**2,145,176**	**2,207,074**
29	**Net Operating Income**	**888,670**	**894,093**	**899,236**	**904,081**	**908,611**	**912,806**	**916,648**	**920,116**	**923,188**	**925,844**	**928,060**	**929,814**	**931,079**	**931,832**	**932,045**	**931,692**
DEBT SERVICE																	
	New Perm Debt	745,646	745,646	745,646	745,646	745,646	745,646	745,646	745,646	745,646	745,646	745,646	745,646	745,646	745,646	745,646	745,646
	Cash Flow	143,024	148,447	153,590	158,435	162,965	167,161	171,002	174,470	177,542	180,198	182,414	184,168	185,433	186,186	186,399	186,046
	DCR including Perm Debt	1.19	1.20	1.21	1.21	1.22	1.22	1.23	1.23	1.24	1.24	1.24	1.25	1.25	1.25	1.25	1.25
	Asset Management Fee	7,500	7,725	7,957	8,195	8,441	8,695	8,955	9,224	9,501	9,786	10,079	10,382	10,693	11,014	11,344	11,685
	Deferred Developer Fee Payment	135,524	140,722	145,633	150,240	154,524	158,466	162,047	165,246	168,042	170,412	172,335	173,786	174,740	175,172	175,055	174,361

EXHIBIT D.

PROPOSED BOND
SECURITY & STRUCTURE

Churchill Public Tax Exempt Loan

Construction to Permanent Financing for 4% LIHTC Affordable Housing Properties

Churchill Stateside Group
Providing Experience & Integrity Since 2005

The Churchill Public Tax Exempt Loan (Public-TEL) is a taxable construction/permanent loan (the "Loan") provided by Churchill Stateside Group for 4% Low Income Housing Tax Credit Housing Properties. The Loan will require an allocation and issuance of tax-exempt bonds and will be funded on a "draw-down" basis.

The loan has two distinct phases:

1. **Construction Phase - an initial phase during which funds will be advanced to Bond Issuer and loaned to the Borrower. Payments during the Construction Phase will be interest only. The Public Tax Exempt Loan structure entails two sets of interest paid during the construction phase, on a taxable loan and tax exempt bonds, both of which may be included in and substantially increase eligible basis for the 4% low income housing tax credits.**
2. **Permanent Phase - a subsequent phase when, upon completion of construction and achievement of stabilized operations, the Loan will be paid down to a lower Permanent Phase amount. Payments during the Permanent Phase will be amortized with P & I payments. In some cases, the yields on the Construction Phase and Permanent Phase tax exempt financing may be blended to permit reinvestment earnings on bond collateral during the Construction Phase to be an available source to pay project costs.**

TERMS

Eligible Properties
First mortgage loans for the new construction or substantial rehabilitation of affordable housing communities with tax-exempt bonds.

Qualified Borrower
Single asset, single purpose entity.

Debt Coverage Ratio
1.15x Minimum. DSCR calculations include all subordinate debt with required debt service payments.

Loan To Value
90% Maximum LTV. LTV calculation includes all subordinate debt with required debt service payments.

Guarantee
Full-Recourse during the Construction Phase. Non-Recourse during the Permanent Phase.

Interest Rate
Floating Rate during Construction Phase, converting to Fixed Rate financing during Permanent Phase. Permanent Phase rate locked before Construction Phase loan closing.

Construction Period Term
Up to 30 months; extensions available upon request.

Permanent Period Term
18-year standard term commencing after Construction Phase, longer terms available on a case-by-case basis.

Amortization
Up to 40 years.

Affordability Requirements
All properties must meet minimum LIHTC affordability requirements.

Secondary Financing
Secondary financing is permitted and must be subordinate.

Replacement Reserve
Minimum of $250 PUPA for new construction and $300 PUPA of substantial rehabilitation, held by CSG.

Churchill Mortgage Investment LLC ("CMI") is a subsidiary of Churchill Stateside Group, LLC. CMI is an FHA MAP/LEAN and USDA Approved Lender. Churchill Stateside Securities, LLC (CSS) is an independent broker-dealer, registered with the U.S. Securities and Exchange Commission (SEC), a member of the Financial Industry Regulatory Authority, Inc. (FIN RA), the Securities Investor Protection Corporation (SIPC), and MSRB registered.

Exhibit E.

MARKET STUDY

Market Study

Gulf Breeze Apartments is an existing affordable housing complex that is 99.4% occupied as of the property's rent roll dated September 26th, 2025. Since Gulf Breeze is an existing, nearly 100% occupied development, the requirement for a market study is not applicable.

EXHIBIT F.

MAP

MAP

Location of Gulf Breeze Apartments relative to downtown Punta Gorda and Interstate 75

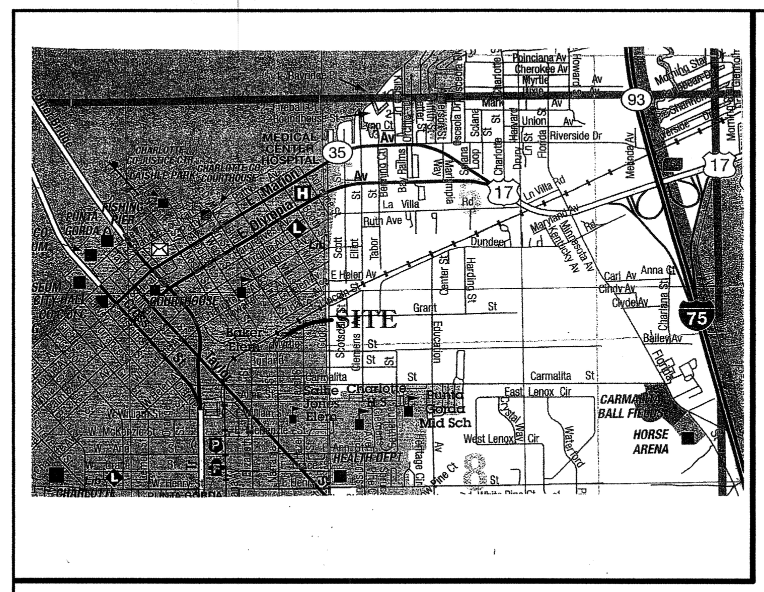
Aerial View of Gulf Breeze Apartments

Exhibit G.

SITE PLANS, FLOOR PLANS, AND ELEVATIONS

SURVEY PLAT

OF A PARCEL LYING IN SECTION 6, TOWNSHIP 41 SOUTH, RANGE 23 EAST, CHARLOTTE COUNTY, FLORIDA



LINE TABLE

Line	Bearing	Distance
L1	N.00°13'11"E.	30.00'
L2	N.89°51'59"W.	30.00'
L3	N.31°47'59"W.	57.81'

ZONING NOTE:
SUBJECT PARCEL IS ZONED NEIGHBORHOOD RESIDENTIAL 15 (NR-15) PER CITY OF PUNTA GORDA AND AS SHOWN ON ENGINEERING PLANS PREPARED BY GHAFARI ASSOCIATES (DATED 11-18-2008) WITH A MAXIMUM DENSITY OF 15 UNITS PER ACRE AND THE FOLLOWING SETBACKS:

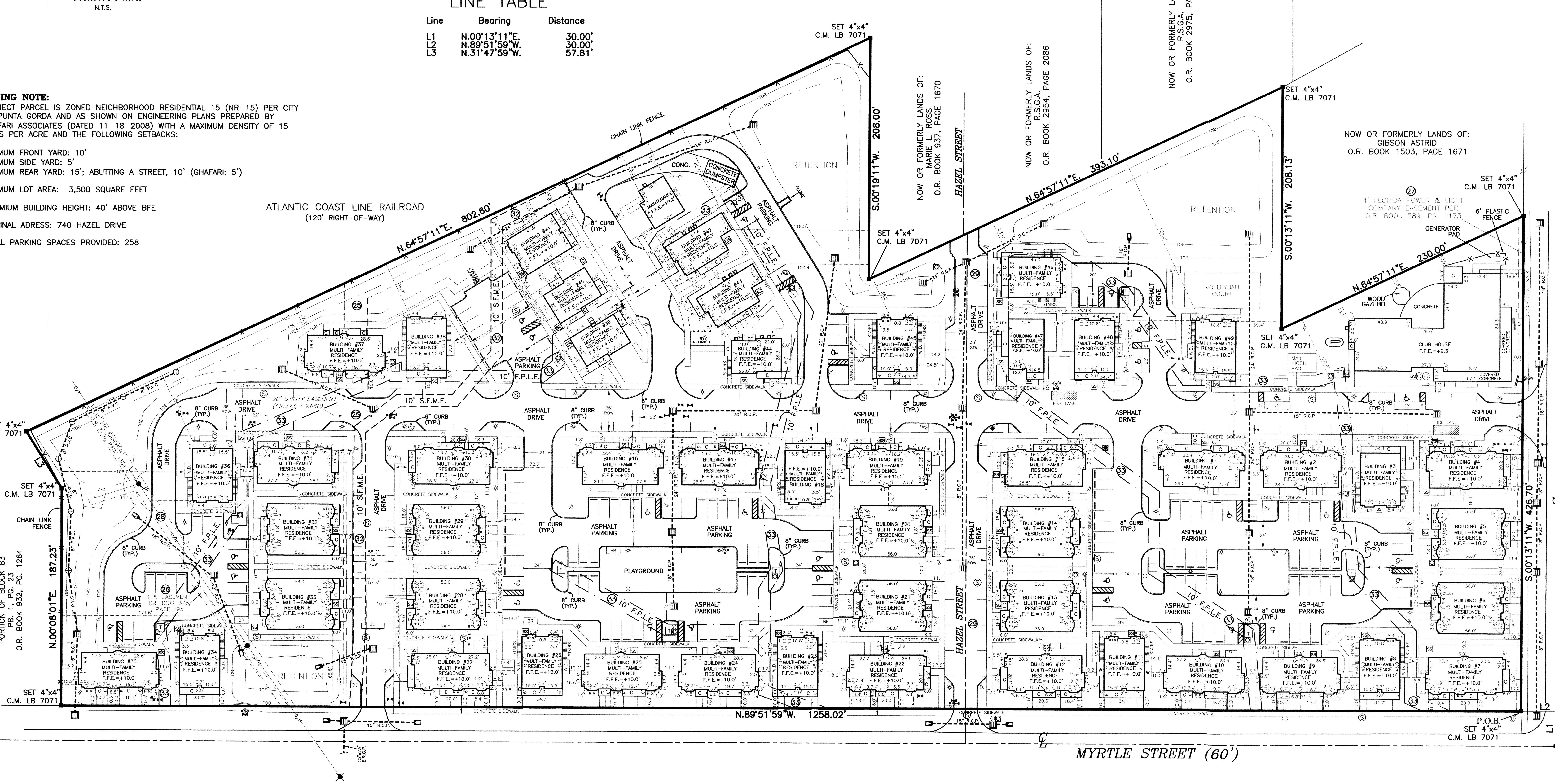
MINIMUM FRONT YARD: 10'
MINIMUM SIDE YARD: 5'
MINIMUM REAR YARD: 15'; ABUTTING A STREET, 10' (GHAFARI: 5')

MINIMUM LOT AREA: 3,500 SQUARE FEET

MAXIMIUM BUILDING HEIGHT: 40' ABOVE BFE

ORIGINAL ADRESS: 740 HAZEL DRIVE

TOTAL PARKING SPACES PROVIDED: 258



LEGAL DESCRIPTION:
A PART OF THE SOUTHEAST ¼ OF THE SOUTHEAST ¼ OF SECTION 6, TOWNSHIP 41 SOUTH, RANGE 23 EAST, CHARLOTTE COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE SOUTHEAST CORNER OF SAID SECTION 6, TOWNSHIP 41 SOUTH, RANGE 23 EAST, SAID CORNER BEING THE INTERSECTION OF THE CENTERLINES OF COOPER STREET (60 FOOT RIGHT-OF-WAY) AND MYRTLE STREET (60 FOOT RIGHT-OF-WAY); THENCE NORTH 00°13'11" EAST, ALONG THE CENTERLINE OF COOPER STREET, 30.00 FEET; THENCE NORTH 89°51'59" WEST, 30.00 FEET TO THE INTERSECTION OF THE WEST RIGHT-OF-WAY OF COOPER STREET AND THE NORTH RIGHT-OF-WAY OF MYRTLE STREET FOR A POINT OF BEGINNING; THENCE NORTH 89°51'59" WEST ALONG SAID NORTH RIGHT-OF-WAY OF MYRTLE STREET, 1258.02 FEET; THENCE NORTH 00°08'01" EAST, 187.23 FEET; THENCE NORTH 31°47'59" WEST, 57.81 FEET TO THE SOUTHERLY RIGHT-OF-WAY OF THE ATLANTIC COAST LINE RAILROAD (120 FOOT RIGHT-OF-WAY); THENCE NORTH 64°57'11" EAST, ALONG SAID SOUTHERLY RAILROAD RIGHT-OF-WAY 802.60 FEET; THENCE SOUTH 00°19'11" WEST, 208.00 FEET; THENCE NORTH 64°57'11" EAST, 393.10 FEET; THENCE SOUTH 00°13'11" WEST, 208.13 FEET; THENCE NORTH 64°57'11" EAST, 230.00 FEET TO THE WEST RIGHT-OF-WAY OF COOPER STREET; THENCE SOUTH 00°13'11" WEST, ALONG SAID WEST RIGHT-OF-WAY OF COOPER STREET, 426.70 FEET TO THE POINT OF BEGINNING.

ALL LYING AND BEING IN SECTION 6, TOWNSHIP 41 SOUTH, RANGE 23 EAST, CHARLOTTE COUNTY, FLORIDA.

PARCEL CONTAINS 12.13 ACRES, MORE OR LESS.

NOTES:
ALTA SURVEY BASED ON SURVEY PREPARED BY STRAYER SURVEYING & MAPPING, INC., DATED 5-30-07 (HAVING A FILE NUMBER OF 06-10-18), A TITLE COMMITMENT INSURANCE POLICY AS PREPARED BY CHICAGO TITLE INSURANCE COMPANY HAVING A COMMITMENT NUMBER OF 72004-3975, DATED 1-20-2009 AND EXISTING MONUMENTATION.

BEARINGS ARE BASED ON THE NORTH RIGHT-OF-WAY LINE OF MYRTLE STREET BEING N.89°51'59"W.

PARCEL LIES IN FLOOD ZONE "AE", HAVING A BASE FLOOD ELEVATION OF +8 & +9'. THIS INFORMATION TAKEN FROM FLOOD INSURANCE RATE MAP 12015C 0241 F, REVISION DATE 5-5-03.

THE F.E.M.A. FLOOD ZONE INFORMATION INDICATED HEREON IS BASED ON MAPS SUPPLIED BY THE FEDERAL GOVERNMENT. THIS FLOOD INFORMATION MUST BE VERIFIED WITH ALL PERMITTING REGULATORY ENTITIES PRIOR TO COMMENCING ANY WORK OR APPLICATION DEPENDENT ON SAID FLOOD INFORMATION.

IRON RODS "SET" ARE 5/8" X 18" REBAR WITH ORANGE CAP BEARING CORPORATION NO. 7071.

ABOVE GROUND AND UNDERGROUND IMPROVEMENTS, UTILITIES AND/OR FOUNDATIONS WERE NOT LOCATED UNLESS OTHERWISE NOTED OR SHOWN.

WETLANDS, IF ANY, WERE NOT LOCATED.

THIS PLAT PREPARED AS AN ALTA/ACSM LAND TITLE SURVEY. IT IS NOT INTENDED TO DELINEATE THE JURISDICTION OR JURISDICTIONAL AREAS OF ANY FEDERAL, STATE, REGIONAL OR LOCAL AGENCY, BOARD, COMMISSION OR OTHER ENTITY.

DATE OF LAST FIELD WORK: 12-16-2008

FOR THE FIRM:

DENIS J. O'CONNELL, JR.
PROFESSIONAL SURVEYOR AND MAPPER
FLORIDA CERTIFICATE NO. LS# 5430

DATE SIGNED: ____________

LEGEND:

(M) = MEASURED
(C) = CALCULATED
CONC. = CONCRETE
F.I.P. = FOUND IRON PIPE
F.I.R. = FOUND IRON ROD
FND. = FOUND
F.C.M. = FOUND CONCRETE MONUMENT
C.M. = CONCRETE MONUMENT
ID. = IDENTIFICATION
E.O.P. = EDGE OF PAVEMENT
= CABLE TELEVISION BOX
— O/H — = OVER HEAD LINES
= WOOD POWER POLE
F.F.E. = FINISHED FLOOR ELEVATION
D.E. = DRAINAGE EASEMENT
PG. = PAGE
R/W = RIGHT OF WAY
= BACKFLOW PREVENTER
= FIRE HYDRANT
= GREASE TRAP
= WATER LINE TEE FITTING
= STORM SEWER CLEAN-OUT
= TELEPHONE SERVICE BOX
= SIGN
= ELECTRIC SERVICE
= WELL
= CONCRETE POWER POLE
R.C.P. = REINFORCED CONCRETE PIPE
E.R.C.P. = ELLIPTICAL REINFORCED CONCRETE PIPE
P.C.P. = PERMANENT CONTROL POINT
P.O.C. = POINT OF COMMENCEMENT
P.O.B. = POINT OF BEGINNING
O.R. = OFFICIAL RECORD BOOK
PG. = PAGE
C = CONCRETE PAD
= CATCH BASIN
S = SANITARY MANHOLE
SS = SEWER SERVICE
I.E. = INVERT ELEVATION
N.I.E. = NORTH INVERT ELEVATION
NW.I.E. = NORTHWEST INVERT ELEVATION
NE.I.E. = NORTHEAST INVERT ELEVATION
S.I.E. = SOUTH INVERT ELEVATION
SE.I.E. = SOUTHEAST INVERT ELEVATION
SW.I.E. = SOUTHWEST INVERT ELEVATION
E.I.E. = EAST INVERT ELEVATION
W.I.E = WEST INVERT ELEVATION
= WATER VALVE
T = TRANSFORMER
W.M.= WATER MAIN
W.D.= WOOD DECK
= BLOWOFF
P = PROPANE TANK
BR = BIKE RACK

NOTES CORRESPONDING TO SCHEDULE B - SECTION 2:

ITEMS 1 THROUGH 24, 30, 31, 34 AND 35 ARE STANDARD EXCEPTIONS THAT PROVIDE NO SURVEY RELATED MATTERS TO BE SPECIFICALLY PLOTTED HEREON OR NOT PROVIDED TO SURVEYOR.

25 EASEMENT FOR UTILITY IN FAVOR OF THE CITY OF PUNTA GORDA, FLORIDA, A MUNICIPAL CORPORATION, RECORDED IN OFFICIAL RECORDS BOOK 323, PAGE 660, OF THE PUBLIC RECORDS OF CHARLOTTE COUNTY, FLORIDA.

26 EASEMENT FOR UTILITY IN FAVOR OF FLORIDA POWER AND LIGHT COMPANY, RECORDED IN OFFICIAL RECORDS BOOK 378, PAGE 195, OF THE PUBLIC RECORDS OF CHARLOTTE COUNTY, FLORIDA.

27 EASEMENT FOR UTILITY IN FAVOR OF FLORIDA POWER AND LIGHT COMPANY, RECORDED IN OFFICIAL RECORDS BOOK 589, PAGE 1173, OF THE PUBLIC RECORDS OF CHARLOTTE COUNTY, FLORIDA.

28 EASEMENT FOR UTILITY IN FAVOR OF FLORIDA POWER AND LIGHT COMPANY, RECORDED IN OFFICIAL RECORDS BOOK 3176, PAGE 1304, OF THE PUBLIC RECORDS OF CHARLOTTE COUNTY, FLORIDA.

29 RIGHTS OF THE PUBLIC IN AND TO THE USE OF HAZEL STREET, INCLUDING, WITHOUT LIMITATION, THE RIGHTS OF OTHERS TO TRAVERSE SAID HAZEL STREET FOR INGRESS AND EGRESS TO LANDLOCKED PARCELS BASED ON ANY STATUTORY RIGHT-OF-WAY. (NO RECORDED INFORMATION PROVIDED).

32 EASEMENT IN FAVOR OF CITY OF PUNTA GORDA, RECORDED APRIL 10, 2008, IN OFFICIAL RECORDS BOOK 3278, PAGE 31, OF THE PUBLIC RECORDS OF CHARLOTTE COUNTY, FLORIDA.

33 EASEMENT IN FAVOR OF FLORIDA POWER & LIGHT COMPANY, RECORDED APRIL 10, 2008, IN OFFICIAL RECORDS BOOK 3278, PAGE 35, OF THE PUBLIC RECORDS OF CHARLOTTE COUNTY, FLORIDA.

SURVEYOR'S CERTIFICATION:
I HEREBY CERTIFY TO GULF BREEZE APARTMENTS PARTNERS, LTD.
-HOUSING AUTHORITY OF THE CITY OF PUNTA GORDA, FLORIDA
-RBC TAX CREDIT EQUITY, LLC, IT'S SUCCESSORS AND ASSIGNS
-RBC TAX CREDIT MANAGER II, INC., IT'S SUCCESSORS AND ASSIGNS
-NORSTAR DEVELOPMENT USA, LP
-APOLLO HOUSING CAPITAL, L.L.C., IT'S SUCCESSORS AND ASSIGNS
-U.S. BANK NATIONAL ASSOCIATION, AS TRUSTEE
-FIRST HOUSING DEVELOPMENT CORPORATION
-CONSTRUCTION ANALYSIS SYSTEMS, INC.
-FLORIDA HOUSING FINANCE CORPORATION
-SHUFFIELD, LOWMAN & WILSON, P.A.
-CHICAGO TITLE INSURANCE COMPANY
-SAXON, GILMORE, CARRAWAY, GIBBONS, LASH & WILCOX, P.A.
AND GREENBERG, TRAURIG THAT THIS MAP OR PLAT AND THE SURVEY ON WHICH IT IS BASED WERE MADE IN ACCORDANCE WITH THE "MINIMUM STANDARD DETAIL REQUIREMENTS FOR ALTA/ACSM LAND TITLE SURVEYS," JOINTLY ESTABLISHED AND ADOPTED BY ALTA AND NSPS IN 2005, AND INCLUDES ITEMS 1, 2, 3, 4, 6, 7A, 8, 9, 10, 11A, 13, 16 & 18 OF TABLE A THEREOF. PURSUANT TO THE ACCURACY STANDARDS AS ADOPTED BY ALTA AND NSPS AND IN EFFECT ON THE DATE OF THIS CERTIFICATION, THE UNDERSIGNED FURTHER CERTIFIES THAT IN MY PROFESSIONAL OPINION, AS A LAND SURVEYOR REGISTERED IN THE STATE OF FLORIDA, THE RELATIVE POSITIONAL ACCURACY OF THIS SURVEY DOES NOT EXCEED THAT WHICH IS SPECIFIED HEREIN.

NOT VALID WITHOUT THE SIGNATURE AND THE ORIGINAL RAISED SEAL OF A FLORIDA LICENSED SURVEYOR AND MAPPER.

REVISED: 6-22-2009 ADD ALTA NOTES JSM
REVISED: 3-5-2009 ADD ZONING NOTES JSM
REVISED: 12-16-2008 FINAL AS-BUILT MAC
REVISED: 11-06-2008 ADD DRAINAGE MAC
REVISED: 9-30-2008 ADD WALKS JSM
REVISED: 7-18-2008 CERTS MAC
REVISED: 6-6-2008 ADD RETENTION MAC
REVISED: 5-22-08 ADD WATER/FIRE LINE SIZE JSM
REVISED: 5-19-08 ADD WATER/FIRE LINE JSM
REVISED: 5-12-08 UTIL ASBUILTS MAC
REVISED: 4-22-08 ADJUST MH EL JSM
REVISED: 4-08-08 ADD FOUNDATIONS MAC
REVISED: 3-5-2008 ADD FOUNDATIONS MAC
REVISED: 2-25-2008 ADD FOUNDATIONS MAC

GULF BREEZE VILLAGE

TITLE: ALTA/ACSM LAND TITLE SURVEY

METRON SURVEYING & MAPPING, LLC
LAND SURVEYORS·PLANNERS
LB# 7071
10970 SOUTH CLEVELAND AVENUE
SUITE #605
FORT MYERS, FLORIDA 33907
PHONE: (239) 275-8575
FAX: (239) 275-8457
www.metronfl.com

FILE NAME:	FIELD BOOK/PAGE:	PROJECT NO.:	SHEET:
10449ASB.DWG	441/20	10449	1 OF 1

SURVEY DATE:	DRAWN BY:	SCALE:	CHECKED BY:	(S-T-R)
12-03-2007	MAC	1"= 50'	DJO	6-41-23

EXHIBIT H.

PGHA AUDITED FINANCIALS

PUNTA GORDA HOUSING AUTHORITY
Punta Gorda, Florida

REPORT ON AUDIT OF BASIC FINANCIAL STATEMENTS,
SINGLE AUDIT SECITON AND SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED MARCH 31, 2024

MALCOLM JOHNSON & COMPANY, P.A.
CERTIFIED PUBLIC ACCOUNTANTS
210 N. Charles Richard Beall Blvd.
DeBary, Florida 32713

Phone (386) 668-6464 Fax (386) 668-6463

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INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Punta Gorda Housing Authority
Punta Gorda, Florida

HUD, Miami Area Office
Office of Public Housing
909 S. E. First Avenue, Room 500
Miami, Florida 33131

Opinions

We have audited the accompanying financial statements of the business-type activities of the Punta Gorda Housing Authority ("the Authority"), as of and for the year ended March 31, 2024, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the Authority as of March 31, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The combining financial statements, Financial Data Schedule, and the other Supplementary Information as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining financial statements and the Financial Data Schedule are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Governmental Auditing Standards

In accordance with *Governmental Auditing Standards,* we have also issued our report dated November 12, 2024 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Malcolm Johnson & Company, P.A.

DeBary, Florida
November 12, 2024

Malcolm Johnson & Company, P.A.
Certified Public Accountants

PUNTA GORDA HOUSING AUTHORITY
Punta Gorda, Florida

MANAGEMENT'S DISCUSSION AND ANALYSIS
MARCH 31, 2024

As management of the Punta Gorda Housing Authority (the Authority), we offer the readers of the Authority's basic financial statements this narrative overview and analysis of the financial activities for the fiscal year ended March 31, 2024. We encourage readers to consider the information presented here in conjunction with the basic financial statements.

Financial Highlights

This narrative includes all of the activities of the Punta Gorda Housing Authority. It does not include the activities of related parties.

- The Authority's net position as of March 31, 2024 was $29,979,602 as compared to net position of $29,388,890 at March 31, 2023. This represents an increase from the prior year of $590,712.
- The Authority's operating expenses for fiscal year 2024 were $6,805,190, an increase of 1,630,825 from fiscal year 2023 expenses of $5,174,365, due to depreciation, hurricane repairs, and insurance expenses.
- For the fiscal year ended March 31, 2024, the Authority received $4,857,984 in HUD operating grants, $304,873 in net dwelling rents, and $2,045,618 in other revenues. Non-operating revenues recognized in the current fiscal year include mortgage interest income of $261,286.

Overview of Financial Statements

The basic financial statements included in this annual report are those of a special-purpose government engaged in a business-type activity. The following statements are included:

- **Statement of Net Position** – reports the Authority's assets and liabilities at the end of the fiscal year and provides information about the nature and amounts of investment of resources and obligations to creditors.
- **Statement of Revenue, Expenses and Change in Net Position** – the results of activity over the course of the fiscal year. It details the costs associated with operating the Authority and how those costs were funded.
- **Statement of Cash Flows** – reports the Authority's cash flows both in and out from operating activities, capital and related financing activities and investing activities. It details the sources of the Authority's cash, what it was used for, and the change in cash over the course of the fiscal year.
- The basic financial statements also include notes that provide required disclosures and other information necessary to gather the full meaning of the material presented in the statements.

The following analysis of entity wide net position, revenue, and expenses are detailed and provide a comprehensive portrayal of financial conditions and related trends. The analysis includes all assets and liabilities using the accrual basis of accounting.

Overview of Financial Statements (Continued)

Accrual accounting is similar to the accounting used by most private sector companies. Accrual accounting recognizes revenue and expenses when earned regardless of when cash is received or paid.

Our analysis presents the Authority's net position, which can be thought of as the difference between what the Authority owns (assets) to what the Authority owes (liabilities). The net position analysis will allow the reader to measure the health or financial position of the Authority.

Over time, significant changes in the Authority's net position are an indicator of whether its financial health is improving or deteriorating. To fully assess the financial health of any Authority, the reader must also consider other non-financial factors such as changes in family composition, fluctuations in the local economy, HUD mandated program administrative changes, and the physical condition of the Authority's capital assets.

At fiscal year-end 2024, total assets were $33,122,436. Total liabilities were $2,842,169; total current liabilities were $329,095. Current liabilities are liabilities that are expected to come due within a one-year period.

Net Position – The difference between an organization's assets and its liabilities equals its net position. There are three components of net position:

Net investment in capital assets – Capital assets, net of accumulated depreciation and reduced by debt attributable to the acquisition of those assets,

Restricted – net position whose use is subject to constraints imposed by law or agreement,

Unrestricted – net position not invested in capital assets or subject to restrictions.

Condensed Financial Information

Assets, Liabilities and Net Position:

	2024	2023	Change
ASSETS			
Current Assets	$ 6,393,037	$ 5,181,352	23.39%
Restricted Assets	147,283	1,401,990	-89.49%
Capital Assets	6,799,493	6,922,675	-1.78%
Other assets	19,782,623	19,367,150	2.15%
Total Assets	**33,122,436**	**32,873,167**	**0.76%**
LIABILITIES			
Current Liabilities	329,095	373,397	-11.86%
Long-term Liabilities	2,513,074	3,110,880	-19.22%
Total Liabilities	**2,842,169**	**3,484,277**	**-18.43%**
Deferred inflow of Resources	**300,665**	**-**	100.00%
Net Position			
Invested in capital assets, net	6,799,493	6,922,675	-1.78%
Restricted net position	56,145	1,256,999	-95.53%
Unrestricted net position	23,123,964	21,209,216	9.03%
Total Net Positon	**29,979,602**	**29,388,890**	**2.01%**
Total Liabilities and Net Position	**$ 33,122,436**	**$ 32,873,167**	**0.76%**

Assets did not change significantly during the year. Current liabilities decreased due to paying notes payable down. Total Net Position increased by $590,712 due to AHP loan maturing, operating revenue increasing and operating at profit for the year.

PUNTA GORDA HOUSING AUTHORITY
Punta Gorda, Florida

MANAGEMENT'S DISCUSSION AND ANALYSIS
MARCH 31, 2024 (Continued)

Condensed Financial Information (Continued)

Revenue, Expenses and Changes in Net Position:

	2024	2023	Change
Operating Revenue			
Tenant revenue	$ 304,873	$ 294,253	3.61%
HUD grants	4,857,984	3,832,838	26.75%
Other Revenue	2,045,618	713,797	186.58%
Total Operating Revenue	**7,208,475**	**4,840,888**	**48.91%**
Operating Expenses			
Administrative	805,059	818,396	-1.63%
Utilities	26,778	24,794	8.00%
Ordinary maintenance and operation	314,004	220,647	42.31%
General expenses	1,207,855	597,604	102.12%
Insurance	86,738	69,982	23.94%
Tenant Services	192,664	78,892	144.21%
Housing assistance payments	3,969,919	3,209,468	23.69%
Depreciation expense	202,173	154,582	30.79%
Total Operating Expenses	**6,805,190**	**5,174,365**	**31.52%**
Operating Income (loss)	**403,285**	**(333,477)**	**-220.93%**
Non-operating Revenue (Expenses)			
Interest expense	(147,514)	(150,615)	-2.06%
Investment revenue, unrestricted	19,249	12,554	53.33%
Mortgage interest revenue	261,286	265,517	-1.59%
Fraud Recovery	52,653	43,211	21.85%
Gain/loss on disposition of capital assets	-	-	0.00%
Total Non-operating Revenue	**185,674**	**170,667**	**8.79%**
Change in net position	**588,959**	**(162,810)**	**-461.75%**
Capital contributions	**1,753**	**74,004**	**-97.63%**
Transfers from (to) other programs	**-**	**-**	**0.00%**
Net Position, beginning of year, restated	**29,388,890**	**29,477,696**	**-0.30%**
Net Position, end of year	**$ 29,979,602**	**$ 29,388,890**	**2.01%**

Overall operating revenue increased by 48.91% due to ROSS and FSS awards, AHP loan matured, management fees, and payments on notes receivable. Capital Contributions decreased due to a reduction in the number of units to renovate at Oak Tree Village as the majority of the units were already modernized. Operating expenses increased mainly due to depreciation, and a 24% increase in insurance rates.

Capital Assets

The Authority's net investment in capital assets as of March 31, 2024, was $6,799,493 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, furniture & equipment, and mortgage receivables. The total decrease in the Authority's capital assets for the current year was $123,182.

Punta Gorda Housing Authority's Capital Assets

Primary Government	2024	2023
Land	$ 5,471,078	$ 5,471,078
Buildings and improvements	3,797,355	3,718,363
Construction in progress	-	-
Furniture and equipment	144,552	144,552
	9,412,985	**9,333,993**
Depreciation	(2,613,492)	(2,411,318)
Total	**$ 6,799,493**	**$ 6,922,675**

Additional information on the Authority's capital assets can be found in the financial notes of this report.

Long Term Debt

In 2009, the Authority issued $14,000,000 in Series A & B Multifamily Housing Revenue Bonds. The proceeds of the Bonds were loaned to a Partnership to fund the construction and purchase of equipment for a related party, the Gulf Breeze Apartments project.

Bonds payable:	2024	2023
Series A Revenue Bonds	$ 2,455,001	$ 2,247,500
Series B Revenue Bonds	-	-
Total Bonds Payable	**2,455,001**	**2,247,500**
Notes payable	307,501	807,501
Long-Term Debt	**$ 2,762,502**	**$ 3,055,001**

During the year, Gulf Breeze Apartments Project paid down the mortgage receivable owed to the Authority and the proceeds were used to pay down the bonds payable.

Additional information on the Authority's long-term debt can be found in the financial notes of this report.

Related Party

The year ended December 31, 2024, was the fifteenth full year of operations for the Gulf Breeze Apartments Partners, LTD. The Gulf Breeze Apartments are located in the heart of the city Punta Gorda Florida. This mixed financed community has a total of 171 units comprised of 83 Affordable, 85 Public Housing, and 3 Market Rate units. The well-appointed 1, 2, 3, and 4 bedroom apartments and townhomes fit seamlessly into the surrounding neighborhood. This community offers a well-appointed Fitness center and Business Center. In addition, Gulf Breeze offers an educational afterschool program. This entity is a related party to the Authority. However, it has been determined that the Gulf Breeze Apartments Partners, LTD are not a component unit of the Authority.

In addition to Gulf Breeze Apartments, the Authority completed construction in early 2017 on a 120-unit two phase mixed finance property called The Verandas of Punta Gorda I & II. These communities are for seniors 55 or better and comprised 1 and 2-bedroom apartment homes. This community consists of 65 Public Housing units, 45 Project Base Voucher units and 10 Affordable units. The property amenities include a Library, Computer Center, Health Clinic, Billiards Room and Community/Dining Room. The community is located in the City of Punta Gorda with easy access to local shopping and medical facilities. This entity is also a related party to the Authority. However, it has been determined that Verandas of Punta Gorda, LLLP and Verandas of Punta Gorda II, LLLP are not component units of the Authority.

Program Accounting

Many of the programs maintained by the Authority are overseen by the Department of Housing and Urban Development. Others are segregated to enhance accountability and control.

Authority's Programs:

- Low Rent Public Housing (CFDA #14.850)
- Capital Fund Program (CFDA #14.872)
- Resident Opportunity and Supportive Services (CFDA #14.870)
- Housing Choice Voucher (Section 8) (CFDA #14.871)
- Family Self-Sufficiency (CFDA #14.896)
- FSS Escrow Forfeiture (CFDA#14.EFA)
- Mainstream (CFDA #14.879)
- Emergency Housing Vouchers (CFDS #14.EHV)
- Home Tenant Based Rental Assistance (CFDA #14.239)

Economic Factors

Significant economic factors affecting the Authority are as follows:

- Federal funding of the Department of Housing and Urban Development,
- Local labor supply and demand, which can affect salary and wage rates,
- Local inflationary, reversionary and employment trends, which can affect resident incomes and therefore the amount of rental income,
- Inflationary pressure on utility rates, supplies and other costs.
- Hurricane Ian

Contacting The Authority's Financial Management

Questions concerning any of the information provided in this report or requests for additional information should be addressed to Kurt Pentelecuc, Executive Director, Punta Gorda Housing Authority, 340 Gulf Breeze Avenue, Punta Gorda, Florida, 33950.

PUNTA GORDA HOUSING AUTHORITY
Punta Gorda, Florida

STATEMENT OF NET POSITION
MARCH 31, 2024

ASSETS	
Current assets	
Cash and cash equivalents, unrestricted	$ 5,622,122
Cash and cash equivalents, restricted	147,283
Accrued interest on mortgages receivable	163,195
Accounts receivable, net of allowance	6,576
Due from other governments	65,803
Prepaid expense	535,341
Total current assets	**6,540,320**
Noncurrent assets	
Other assets	
Notes and mortgages receivable	18,445,889
Accrued interest on mortgage receivable	1,336,734
Total other assets	**19,782,623**
Capital assets	
Not being depreciated	5,471,078
Depreciable, net	1,328,415
Total capital assets, net	**6,799,493**
Total noncurrent assets	**26,582,116**
Total assets	**33,122,436**
Deferred Outflow of Resources	**-**
Total Assets and Deferred Outflow of Resources	**33,122,436**
LIABILITIES	
Current liabilities	
Vendors and contractors payable	26,857
Accrued wages/taxes payable	27,528
Accrued compensated absences	43,613
Accrued interest payable	75,593
Due to other governments	16,308
Unearned revenue	77,936
Notes and bonds payable	50,000
Resident security deposits	11,260
Total current liabilities	**329,095**
Noncurrent liabilities	
Notes and bonds payable	2,405,001
Accrued compensated absences	20,835
Other accrued liabilities	87,238
Total noncurrent liabilities	**2,513,074**
Total liabilities	**2,842,169**
Deferred Inflow of Resources	**300,665**
Total Liabilities and Deferred Inflow of Resources	**3,142,834**
NET POSITION	
Net investment in capital assets	6,799,493
Restricted	56,145
Unrestricted	23,123,964
Total net position	**$ 29,979,602**

The accompanying notes are an integral part of these basic financial statements.

PUNTA GORDA HOUSING AUTHORITY
Punta Gorda, Florida

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED MARCH 31, 2024

Operating revenues	
Rental revenue	$ 304,873
HUD grants	4,857,984
Other revenue	2,045,618
Total operating revenues	**7,208,475**
Operating expenses	
Administrative	805,059
Tenant services	192,664
Utilities	26,778
Ordinary maintenance & operation	314,004
Insurance	86,738
General expenses	1,207,855
Housing assistance payments	3,969,919
Depreciation	202,173
Total operating expenses	**6,805,190**
Operating income (loss)	**403,285**
Nonoperating revenues (expenses)	
Interest revenue, unrestricted	19,249
Mortgage interest revenue	261,286
Interest expense	(147,514)
Fraud recovery	52,653
Total nonoperating revenues	**185,674**
Income (loss) before transfers	**588,959**
Capital contributions	**1,753**
Increase (decrease) in net position	**590,712**
Net position, beginning of year	**29,388,890**
Net position, end of year	**$ 29,979,602**

The accompanying notes are an integral part of these basic financial statements.

PUNTA GORDA HOUSING AUTHORITY
Punta Gorda, Florida

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2024

Cash Flows From Operating Activities	
Receipts from dwelling rentals	$ 298,320
Operating grants	4,908,413
Receipts from fees	(22,822)
Other receipts	2,081,726
Payments to employees and suppliers	(2,661,760)
Payments to landlords and residents	(4,013,911)
Net cash provided (used) by operating activities	**589,966**
Cash Flows From Noncapital Financing Activities	
Principal paid on operating debt	(600,000)
Interest paid on operating debt	(147,514)
Net cash provided (used) by noncapital financing activities	**(747,514)**
Cash Flows From Capital and Related Financing Activities	
Capital contributions	1,753
Purchases of capital assets	(78,992)
Interest paid on capital debt	(60,555)
Net cash provided (used) by capital and related financing activities	**(137,794)**
Cash Flows From Investing Activities	
Proceeds from (payments for) note activity	(431,209)
Interest	279,711
Net cash provided (used) by investing activities	**(151,498)**
Net increase (decrease) in cash and cash equivalents	**(446,840)**
Balance - beginning of the year	**6,216,245**
Balance - end of the year	**$ 5,769,405**
Reconciliation of Cash Flows to Statement of Net Position	
Cash and cash equivalents, unrestricted	$ 5,622,122
Cash and cash equivalents, restricted	147,283
	$ 5,769,405

There are no non-cash transactions.

PUNTA GORDA HOUSING AUTHORITY
Punta Gorda, Florida

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2024
(Continued)

Reconciliation of Net Operating Income (Loss) to
Net Cash Provided (Used) By Operating Activities

Operating income/(loss)	**$ 403,285**
Adjustments to reconcile net operating income (loss) to net cash provided (used) by operating activities:	
Depreciation elimination	202,173
Increase in accounts receivable	(21,614)
Decrease in due to/from other governments	17,741
Increase in prepaid expenses	(399,458)
Decrease in other assets	15,736
Decrease in security deposits	(1,440)
Decrease in accounts payable	(39,152)
Increase in accrued wages	18,260
Increase in accrued compensated absences	6,573
Increase in unearned revenue	32,350
Increase in accrued liabilities	2,194
Increase in deferred inflow of resources	300,665
Other revenue and expense reported as nonoperating	52,653
	$ 589,966

The accompanying notes are an intregral part of these basic financial statements.

PUNTA GORDA HOUSING AUTHORITY
Punta Gorda, Florida

REPORT ON AUDIT OF BASIC FINANCIAL STATEMENTS, SINGLE AUDIT SECITON AND SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED MARCH 31, 2023

MALCOLM JOHNSON & COMPANY, P.A.
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INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Punta Gorda Housing Authority
Punta Gorda, Florida

HUD, Miami Area Office
Office of Public Housing
909 S. E. First Avenue, Room 500
Miami, Florida 33131

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities of the Punta Gorda Housing Authority ("the Authority") as of and for the year ended March 31, 2023, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these basic financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these basic financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the basic financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Authority's preparation and fair presentation of the basic financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the Authority, as of March 31, 2023, and the respective changes in financial position, and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting Principles generally accepted in the United States of America require that the Management's Discussion and Analysis and budgetary comparison information on pages i-v be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The combining financial statements, Financial Data Schedule, the Schedule of Expenditures of Federal Awards as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and the other supplementary information as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining financial statements, Financial Data Schedule, and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Governmental Auditing Standards

In accordance with *Governmental Auditing Standards,* we have also issued our report dated August 16, 2023 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Malcolm Johnson & Company, P.A.

Malcolm Johnson & Company, P.A.
Certified Public Accountants

DeBary, Florida
August 16, 2023

PUNTA GORDA HOUSING AUTHORITY
Punta Gorda, Florida

MANAGEMENT'S DISCUSSION AND ANALYSIS
MARCH 31, 2023

As management of the Punta Gorda Housing Authority (the Authority), we offer the readers of the Authority's basic financial statements this narrative overview and analysis of the financial activities for the fiscal year ended March 31, 2023. We encourage readers to consider the information presented here in conjunction with the basic financial statements.

Financial Highlights

This narrative includes all of the activities of the Punta Gorda Housing Authority. It does not include the activities of related parties.

- The Authority's net position as of March 31, 2023 was $29,388,890 as compared to net position of $29,477,696 at March 31, 2023. This represents an increase from the prior year of approximately $58,806.
- During the year, the Authority's total operating expenses were $5,174,365, an increase of 340,908; $4,833,457 from 2022 expenses, due to depreciation, hurricane repairs, and insurance expenses.
- For the fiscal year ended March 31, 2023, the Authority received $3,832,838 in HUD operating grants, $294,253 in net dwelling rents, and $713,797 in other revenues. Non-operating revenues recognized in the current fiscal year include mortgage interest income of $265,517.

Overview of Financial Statements

The basic financial statements included in this annual report are those of a special-purpose government engaged in a business-type activity. The following statements are included:

- **Statement of Net Position** – reports the Authority's assets and liabilities at the end of the fiscal year and provides information about the nature and amounts of investment of resources and obligations to creditors.
- **Statement of Revenue, Expenses and Change in Net Position** – the results of activity over the course of the fiscal year. It details the costs associated with operating the Authority and how those costs were funded.
- **Statement of Cash Flows** – reports the Authority's cash flows both in and out from operating activities, capital and related financing activities and investing activities. It details the sources of the Authority's cash, what it was used for, and the change in cash over the course of the fiscal year.
- The basic financial statements also include notes that provide required disclosures and other information necessary to gather the full meaning of the material presented in the statements.

The following analysis of entity wide net position, revenue, and expenses are detailed and provide a comprehensive portrayal of financial conditions and related trends. The analysis includes all assets and liabilities using the accrual basis of accounting.

Accrual accounting is similar to the accounting used by most private sector companies. Accrual accounting recognizes revenue and expenses when earned regardless of when cash is received or paid.

Our analysis presents the Authority's net position, which can be thought of as the difference between what the Authority owns (assets) to what the Authority owes (liabilities). The net position analysis will allow the reader to measure the health or financial position of the Authority.

Over time, significant changes in the Authority's net position are an indicator of whether its financial health is improving or deteriorating. To fully assess the financial health of any Authority, the reader must also consider other non-financial factors such as changes in family composition, fluctuations in the local economy, HUD mandated program administrative changes, and the physical condition of the Authority's capital assets.

PUNTA GORDA HOUSING AUTHORITY
Punta Gorda, Florida

MANAGEMENT'S DISCUSSION AND ANALYSIS
MARCH 31, 2023
(Continued)

Overview of Financial Statements (Continued)

At fiscal year-end 2023, total assets were $32,873,167. Total liabilities were $3,484,277; total current liabilities were $373,397. Current liabilities are liabilities that are expected to come due within a one-year period.

Net Position – The difference between an organization's assets and its liabilities equals its net position. There are three components of net position:

Net investment in capital assets – Capital assets, net of accumulated depreciation and reduced by debt attributable to the acquisition of those assets,

Restricted – net position whose use is subject to constraints imposed by law or agreement,

Unrestricted – net position not invested in capital assets or subject to restrictions.

Condensed Financial Information

Assets, Liabilities and Net Position:

	2023	2022	Increase/ Decrease
ASSETS			
Current Assets	$ 5,181,352	$ 3,732,588	38.81%
Restricted Assets	1,401,990	2,840,757	-50.65%
Capital Assets	6,922,675	6,894,835	0.40%
Other assets	19,367,150	19,461,048	-0.48%
Total Assets	**32,873,167**	**32,929,228**	**-0.17%**
LIABILITIES			
Current Liabilities	373,397	267,215	39.74%
Long-term Liabilities	3,110,880	3,184,317	-2.31%
Total Liabilities	**3,484,277**	**3,451,532**	**0.95%**
Net Position			
Invested in capital assets, net	6,922,675	6,894,835	0.40%
Restricted net position	1,256,999	2,716,052	-53.72%
Unrestricted net position	21,209,216	19,866,809	6.76%
Total Net Positon	**29,388,890**	**29,477,696**	**-0.30%**
Total Liabilities and Net Position	**$ 32,873,167**	**$ 32,929,228**	**-0.17%**

Assets did not change much during the year. Current liabilities increased due to the compensated absences accrual, current portion of long term debt, and accrued interest payable. Total Net Position decreased by $58,806 mainly due to hurricane repairs.

Condensed Financial Information (Continued)

Revenue, Expenses and Changes in Net Position:

	2023	2022	Increase/ Decrease
Operating Revenue			
Tenant revenue	$ 294,253	$ 259,928	13.21%
HUD grants	3,832,838	3,910,725	-1.99%
Other Revenue	713,797	704,257	1.35%
Total Operating Revenue	**4,840,888**	**4,874,910**	**-0.70%**
Operating Expenses			
Administrative	818,396	742,715	10.19%
Utilities	24,794	23,946	3.54%
Ordinary maintenance and operation	220,647	228,571	-3.47%
General expenses	597,604	473,846	26.12%
Insurance	69,982	65,310	7.15%
Tenant Services	78,892	143,801	-45.14%
Housing assistance payments	3,209,468	3,003,175	6.87%
Depreciation expense	154,582	152,093	1.64%
Total Operating Expenses	**5,174,365**	**4,833,457**	**7.05%**
Operating Income (loss)	**(333,477)**	**41,453**	**-904.47%**
Non-operating Revenue (Expenses)			
Interest expense	(150,615)	(149,750)	0.58%
Investment revenue, unrestricted	12,554	462	2617.32%
Mortgage interest revenue	265,517	245,483	8.16%
Fraud Recovery	43,211	24,092	79.36%
Gain/loss on disposition of capital assets	-	-	0.00%
Total Non-operating Revenue	**170,667**	**120,287**	**41.88%**
Change in net position	**(162,810)**	**161,740**	**-200.66%**
Capital contributions	**74,004**	**3,936**	**1780.18%**
Transfers from (to) other programs		**23,606**	**0.00%**
Net Position, beginning of year, restated	**29,477,696**	**29,288,414**	**0.65%**
Net Position, end of year	**$ 29,388,890**	**$ 29,477,696**	**-0.30%**

Overall operating revenue increased by less than 1% due to management fees and payments on notes receivable. Capital Contributions decreased due to a reduction in the number of units to renovate at Oak Tree Village as the majority of the units were already modernized. Operating expenses increased mainly due to depreciation, insurance, and hurricane repairs.

Capital Assets

The Authority's net investment in capital assets as of March 31, 2023, was $6,922,675 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, furniture & equipment, and mortgage receivables. The total increase in the Authority's capital assets for the current year was $27,840.

Punta Gorda Housing Authority's Capital Assets

Primary Government	2023	2022
Land	$ 5,471,078	$ 5,471,078
Buildings and improvements	3,718,363	3,535,941
Construction in progress	-	-
Furniture and equipment	144,552	144,552
	9,333,993	9,151,571
Depreciation	(2,411,318)	(2,256,736)
Total	**$ 6,922,675**	**$ 6,894,835**

Additional information on the Authority's capital assets can be found in financial notes of this report.

Long Term Debt

In 2009, the Authority issued $14,000,000 in Series A & B Multifamily Housing Revenue Bonds. The proceeds of the Bonds were loaned to the Partnership to fund the construction and purchase of equipment for a related party, the Gulf Breeze Apartments project.

Bonds payable:	2023	2022
Series A Revenue Bonds	$ 2,297,500	$ 2,320,000
Series B Revenue Bonds	-	-
Total Bonds Payable	**2,297,500**	**2,320,000**
Note payable	670,000	670,000
Long-Term Debt	**$ 2,967,500**	**$ 2,990,000**

During the year, Gulf Breeze Apartments Project paid down the mortgage receivable owed to the Authority and the proceeds were used to pay down the bond payable.

Additional information on the Authority's long-term debt can be found in the financial notes of this report.

Related Party

The year ended December 31, 2023, was the fourteenth full year of operations for the Gulf Breeze Apartments Partners, LTD. The Gulf Breeze Apartments are located in the heart of the city Punta Gorda Florida. This mixed financed community has a total of 171 units comprised of 83 Affordable, 85 Public Housing, and 3 Market Rate units. The well-appointed 1, 2, 3 and 4 bedroom apartments and townhomes fit seamlessly into the surrounding neighborhood. This community offers a well-appointed Fitness center and Business Center. In addition, Gulf Breeze offers an educational afterschool program. This entity is a related party to the Authority. However, it has been determined that the Gulf Breeze Apartments Partners, LTD are not a component unit of the Authority.

In addition to Gulf Breeze Apartments, the Authority completed construction in early 2017 on a 120 unit two phase mixed finance property called The Verandas of Punta Gorda I & II. These communities are for seniors 55 or better and comprised 1 and 2 bedroom apartment homes. This community consist of 65 Public Housing units, 45 Project Base Voucher units and 10 Affordable units. The property amenities include Library, Computer Center, Health Clinic, Billiards Room and Community/Dining Room. The community is located in the City of Punta Gorda with easy access to local shopping and medical facilities. This entity is also a related party to the Authority. However, it has been determined that Verandas of Punta Gorda, LLLP and Verandas of Punta Gorda II, LLLP are not a component unit of the Authority.

Program Accounting

Many of the programs maintained by the Authority are required by the Department of Housing and Urban Development. Others are segregated to enhance accountability and control.
Authority's Programs

- Low Rent Public Housing (CFDA #14.850)
- Capital Fund Program (CFDA #14.872)
- Resident Opportunity and Supportive Services (CFDA #14.870)
- Housing Choice Voucher (Section 8) (CFDA #14.871)
- Family Self-Sufficiency (CFDA #14.896)
- Mainstream (CFDA #14.879)
- Home Tenant Based Rental Assistance (CFDA #14.239)

Economic Factors

Significant economic factors affecting the Authority are as follows:

- Federal funding of the Department of Housing and Urban Development,
- Local labor supply and demand, which can affect salary and wage rates,
- Local inflationary, reversionary and employment trends, which can affect resident incomes and therefore the amount of rental income,
- Inflationary pressure on utility rates, supplies and other costs.
- Hurricane Ian

Contacting The Authority's Financial Management

Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Executive Director, Punta Gorda Housing Authority, 340 Gulf Breeze Avenue, Punta Gorda, Florida, 33950.

PUNTA GORDA HOUSING AUTHORITY
Punta Gorda, Florida

COMBINING SCHEDULE OF NET POSITION
MARCH 31, 2023

ASSETS	
Current assets	
Cash and cash equivalents, unrestricted	$ 4,814,255
Cash and cash equivalents, restricted	1,401,990
Accrued interest receivable	162,370
Accounts receivable, net of allowance	87
Due from other governments	68,757
Prepaid expense	135,883
Total current assets	**6,583,342**
Noncurrent assets	
Other assets	
Notes and mortgages receivable	18,014,680
Insurance deposit	1,352,470
Total other assets	**19,367,150**
Capital assets	
Not being depreciated	5,471,078
Depreciable, net	1,451,597
Total capital assets, net	**6,922,675**
Total noncurrent assets	**26,289,825**
Total assets	**32,873,167**
Deferred Outflow of Resources	**-**
Total Assets and Deferred Outflow of Resources	**32,873,167**
LIABILITIES	
Current liabilities	
Vendors and contractors payable	66,009
Accrued wages/taxes payable	9,268
Accrued compensated absences	37,040
Accrued interest payable	136,148
Due to other governments	16,646
Unearned revenue	45,586
Notes and bonds payable	50,000
Resident security deposits	12,700
Total current liabilities	**373,397**
Noncurrent liabilities	
Notes and bonds payable	3,005,001
Accrued compensated absences	19,174
Other accrued liabilities	86,705
Total noncurrent liabilities	**3,110,880**
Total liabilities	**3,484,277**
Deferred Inflow of Resources	**-**
Total Liabilities and Deferred Inflow of Resources	**3,484,277**
NET POSITION	
Net investment in capital assets	6,922,675
Restricted	1,256,999
Unrestricted	21,209,216
Total net position	**$ 29,388,890**

The accompanying notes are an integral part of these basic financial statements.

PUNTA GORDA HOUSING AUTHORITY
Punta Gorda, Florida

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED MARCH 31, 2023

Operating revenues	
Rental revenue	$ 294,253
HUD grants	3,832,838
Other revenue	713,797
Total operating revenues	**4,840,888**
Operating expenses	
Administrative	818,396
Tenant services	78,892
Utilities	24,794
Ordinary maintenance & operation	220,647
Insurance	69,982
General expenses	597,604
Housing assistance payments	3,209,468
Depreciation	154,582
Total operating expenses	**5,174,365**
Operating income (loss)	**(333,477)**
Nonoperating revenues (expenses)	
Interest revenue, unrestricted	12,554
Mortgage interest revenue	265,517
Interest expense	(150,615)
Fraud recovery	43,211
Total nonoperating revenues	**170,667**
Income (loss) before transfers	**(162,810)**
Capital contributions	**74,004**
Increase (decrease) in net position	**(88,806)**
Net position, beginning of year	**29,477,696**
Net position, end of year	**$ 29,388,890**

The accompanying notes are an integral part of these basic financial statements.

PUNTA GORDA HOUSING AUTHORITY
Punta Gorda, Florida

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2023

Cash Flows From Operating Activities	
Receipts from dwelling rentals	$ 295,645
Operating grants	4,077,127
Receipts from fees	(22,224)
Other receipts	749,600
Payments to employees and suppliers	(1,834,680)
Payments to landlords and residents	(3,227,443)
Net cash provided (used) by operating activities	**38,025**
Cash Flows From Noncapital Financing Activities	
Principal paid on operating debt	(44,089)
Interest paid on operating debt	(142,840)
Net cash provided (used) by noncapital financing activitiews	**(186,929)**
Cash Flows From Capital and Related Financing Activities	
Capital contributions	74,004
Purchases of capital assets	(182,422)
Net cash provided (used) by capital and related financing activities	**(108,418)**
Cash Flows From Investing Activities	
Proceeds from homebuyer note activity - net	169,363
Interest	230,859
Net cash provided (used) by investing activities	**400,222**
Net increase (decrease) in cash and cash equivalents	**142,900**
Balance - beginning of the year	**6,073,345**
Balance - end of the year	**$ 6,216,245**
Reconciliation of Cash Flows to Statement of Net Position	
Cash and cash equivalents, unrestricted	4,814,255
Cash and cash equivalents, restricted	1,401,990
	$ 6,216,245

There are no non-cash transactions.

PUNTA GORDA HOUSING AUTHORITY
Punta Gorda, Florida

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2023
(Continued)

Reconciliation of Net Operating Income (Loss) to
Net Cash Provided (Used) By Operating Activities

Operating income/(loss)	**$**	**(333,477)**
Adjustments to reconcile net operating income (loss) to net cash provided (used) by operating activities:		
Depreciation elimination		154,582
Increase in accounts receivable		(1,880)
Decrease in due to/from other governments		202,180
Increase in prepaid expenses		(26,948)
Increase in other assets		(75,465)
Increase in security deposits		820
Increase in accounts payable		55,470
Decrease in accrued wages		(1,167)
Decrease in accrued compensated absences		(5,539)
Increase in unearned revenue		45,586
Increase in accrued liabilities		(19,348)
Other revenue and expense reported as nonoperating		43,211
	$	**38,025**

The accompanying notes are an intregral part of these basic financial statements.

PUNTA GORDA HOUSING AUTHORITY
Punta Gorda, Florida

REPORT ON AUDIT OF BASIC FINANCIAL STATEMENTS,
SINGLE AUDIT SECITON AND SUPPLEMENTAL INFORMATION

FOR THE YEAR ENDED MARCH 31, 2022

MALCOLM JOHNSON & COMPANY, P.A.
CERTIFIED PUBLIC ACCOUNTANTS
210 N. Charles Richard Beall Blvd.
DeBary, Florida 32713

Phone (386) 668-6464 Fax (386) 668-6463
office@malcolmjohnsoncompany.com

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Punta Gorda Housing Authority
Punta Gorda, Florida

HUD, Miami Area Office
Office of Public Housing
909 S. E. First Avenue, Room 500
Miami, Florida 33131

Report on the Financial Statements

We have audited the accompanying financial statements of the Punta Gorda Housing Authority ("the Authority") which include the statement of net position as of and for the year ended March 31, 2022, and the related statements of revenues, expenses and changes in net position, cash flows for the year then ended, and the related notes to the financial statements which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these basic financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of basic financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these basic financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the basic financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the basic financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Authority's preparation and fair presentation of the basic financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the basic financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the Authority as of March 31, 2022, and the respective changes in financial position and cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting Principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages i-vi be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. *Code of Federal Regulations (CFR)* Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance), the Financial Data Schedule, and the other supplemental information as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statement themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information referred to above is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Governmental Auditing Standards

In accordance with *Governmental Auditing Standards,* we have also issued our report dated September 13, 2022 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Malcolm Johnson & Company, P.A.

Malcolm Johnson & Company, P.A.
Certified Public Accountants

DeBary, Florida
September 13, 2022

PUNTA GORDA HOUSING AUTHORITY
Punta Gorda, Florida

MANAGEMENT'S DISCUSSION AND ANALYSIS
MARCH 31, 2022

As management of the Punta Gorda Housing Authority ("the Authority"), we offer the readers of the Authority's basic financial statements this narrative overview and analysis of the financial activities for the fiscal year ended March 31, 2022. We encourage readers to consider the information presented here in conjunction with the basic financial statements.

Financial Highlights

This narrative includes all of the activities of the Punta Gorda Housing Authority. It does not include the activities of related parties.

- The Authority's net position as of March 31, 2022 was $29,477,696 as compared to net position of $29,288,414 at March 31, 2021. This represents an increase from the prior year of approximately $189,282.
- During the year, the Authority's total operating expenses were $4,833,457, an increase of $368,533 from 2021 expenses, due to depreciation, maintenance, and insurance expenses.
- For the fiscal year ended March 31, 2022, the Authority received $3,910,725 in HUD operating grants, $259,928 in net dwelling rents, and $704,257 in other revenues. Non-operating revenues recognized in the current fiscal year include mortgage interest income of $245,483.

Overview of Financial Statements

The basic financial statements included in this annual report are those of a special-purpose government engaged in a business-type activity. The following statements are included:

- **Statement of Net Position** – reports the Authority's assets and liabilities at the end of the fiscal year and provides information about the nature and amounts of investment of resources and obligations to creditors.
- **Statement of Revenue, Expenses and Change in Net Position** – the results of activity over the course of the fiscal year. It details the costs associated with operating the Authority and how those costs were funded.
- **Statement of Cash Flows** – reports the Authority's cash flows both in and out from operating activities, capital and related financing activities and investing activities. It details the sources of the Authority's cash, what it was used for, and the change in cash over the course of the fiscal year.
- The basic financial statements also include notes that provide required disclosures and other information necessary to gather the full meaning of the material presented in the statements.

The following analysis of entity wide net position, revenue, and expenses are detailed and provide a comprehensive portrayal of financial conditions and related trends. The analysis includes all assets and liabilities using the accrual basis of accounting.

Overview of Financial Statements (Continued)

Accrual accounting is similar to the accounting used by most private sector companies. Accrual accounting recognizes revenue and expenses when earned regardless of when cash is received or paid.

Our analysis presents the Authority's net position, which can be thought of as the difference between what the Authority owns (assets) to what the Authority owes (liabilities). The net position analysis will allow the reader to measure the health or financial position of the Authority.

Over time, significant changes in the Authority's net position are an indicator of whether its financial health is improving or deteriorating. To fully assess the financial health of any Authority, the reader must also consider other non-financial factors such as changes in family composition, fluctuations in the local economy, HUD mandated program administrative changes, and the physical condition of the Authority's capital assets.

At fiscal year-end 2022, total assets were $32,929,288. Total liabilities were $3,451,532; total current liabilities were $267,215. Current liabilities are liabilities that are expected to come due within a one-year period.

Net Position – The difference between an organization's assets and its liabilities equals its net position. There are three components of net position:

> **Net investment in capital assets –** Capital assets, net of accumulated depreciation and reduced by debt attributable to the acquisition of those assets,
>
> **Restricted –** net position whose use is subject to constraints imposed by law or agreement,
>
> **Unrestricted –** net position not invested in capital assets or subject to restrictions.

PUNTA GORDA HOUSING AUTHORITY
Punta Gorda, Florida

MANAGEMENT'S DISCUSSION AND ANALYSIS
MARCH 31, 2022
(Continued)

Condensed Financial Information

Assets, Liabilities and Net Position:

	2022	2021	Change
ASSETS			
Current Assets	$ 3,732,588	$ 3,336,952	11.86%
Restricted Assets	2,840,757	2,815,675	0.89%
Capital Assets	6,894,835	7,042,992	-2.10%
Other assets	19,461,048	19,486,721	-0.13%
Total Assets	**32,929,228**	**32,682,340**	**0.76%**
LIABILITIES			
Current Liabilities	267,215	288,741	-7.46%
Long-term Liabilities	3,184,317	3,105,185	2.55%
Total Liabilities	**3,451,532**	**3,393,926**	**1.70%**
Net Position			
Invested in capital assets, net	6,894,835	7,042,992	-2.10%
Restricted net position	2,716,052	2,676,373	1.48%
Unrestricted net position	19,866,809	19,569,049	1.52%
Total Net Positon	**29,477,696**	**29,288,414**	**0.65%**
Total Liabilities and Net Position	**$ 32,929,228**	**$ 32,682,340**	**0.76%**

Assets increased due to notes receivables. Current liabilities increased due to the compensated absences accrual, current portion of long-term debt, and accrued interest payable. Total Net Position increased by $189,282 mainly due to capital improvements being completed.

PUNTA GORDA HOUSING AUTHORITY
Punta Gorda, Florida

MANAGEMENT'S DISCUSSION AND ANALYSIS
MARCH 31, 2022
(Continued)

Condensed Financial Information (Continued)

Revenue, Expenses and Changes in Net Position:

	2022	2021	Change
Operating Revenue			
Tenant revenue	$ 259,928	$ 105,520	146.33%
HUD grants	3,910,725	3,346,580	16.86%
Other Revenue	704,257	1,330,966	-47.09%
Total Operating Revenue	**4,874,910**	**4,783,066**	**1.92%**
Operating Expenses			
Administrative	742,715	717,561	3.51%
Utilities	23,946	21,823	9.73%
Ordinary maintenance and operation	228,571	169,562	34.80%
General expenses	473,846	453,437	4.50%
Insurance	65,310	57,728	13.13%
Tenant Services	143,801	129,360	11.16%
Housing assistance payments	3,003,175	2,777,320	8.13%
Depreciation expense	152,093	138,133	10.11%
Total Operating Expenses	**4,833,457**	**4,464,924**	**8.25%**
Operating Income (loss)	**41,453**	**318,142**	**-86.97%**
Non-operating Revenue (Expenses)			
Interest expense	(149,750)	(152,200)	-1.61%
Investment revenue, unrestricted	462	1,439	-67.89%
Mortgage interest revenue	245,483	363,911	-32.54%
Fraud Recovery	24,092	30,428	-20.82%
Total Non-operating Revenue	**120,287**	**243,578**	**-50.62%**
Change in net position	**161,740**	**561,720**	**-71.21%**
Capital contributions	**3,936**	**94,629**	**-95.84%**
Transfers from (to) other programs	**23,606**	**-**	**0.00%**
Net Position, beginning of year	**29,288,414**	**28,632,065**	**2.29%**
Net Position, end of year	**$ 29,477,696**	**$ 29,288,414**	**0.65%**

Overall operating revenue increased by less than 1% due to management fees and payments on notes receivable. Capital Contributions decreased due to a reduction in the number of units to renovate at Oak Tree Village because the majority of the units were already modernized. Operating expenses increased mainly due to depreciation and insurance.

Capital Assets

The Authority's net investment in capital assets as of March 31, 2022, was $6,894,835 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, furniture & equipment, and mortgage receivables. The total decrease in the Authority's capital assets for the current year was $148,157.

Punta Gorda Housing Authority's Capital Assets

Primary Government	**2022**	**2021**
Land	$ 5,471,078	$ 5,471,078
Buildings and improvements	3,535,941	3,488,620
Construction in progress		43,385
Furniture and equipment	144,552	144,552
	9,151,571	**9,147,635**
Depreciation	(2,256,736)	(2,104,643)
Total	**$ 6,894,835**	**$ 7,042,992**

Additional information on the Authority's capital assets can be found in financial notes of this report.

Long Term Debt

In 2009, the Authority issued $14,000,000 in Series A & B Multifamily Housing Revenue Bonds. The proceeds of the Bonds were loaned to the Partnership to fund the construction and purchase of equipment for a related party, the Gulf Breeze Apartments project.

Bonds payable:	**2022**	**2021**
Series A Revenue Bonds	$ 2,297,500	$ 2,435,185
Series B Revenue Bonds	-	-
Total Bonds Payable	**2,297,500**	**2,435,185**
Note payable	801,590	670,000
Long-Term Debt	**$ 3,099,090**	**$ 3,105,185**

During the year, Gulf Breeze Apartments Project paid down the mortgage receivable owed to the Authority and the proceeds were used to pay down the bond payable.

Additional information on the Authority's long-term debt can be found in the financial notes of this report.

Related Party

The year ended December 31, 2022, was the thirteenth full year of operations for the Gulf Breeze Apartments Partners, LTD. The Gulf Breeze Apartments are located in the heart of the city Punta Gorda Florida. This mixed financed community has a total of 171 units comprised of 83 Affordable, 85 Public Housing, and 3 Market Rate units. The well-appointed 1-, 2-, 3- and 4-bedroom apartments and townhomes fit seamlessly into the surrounding neighborhood. This community offers a well-appointed Fitness center and Business Center. In addition, Gulf Breeze offers an educational afterschool program. This entity is a related party to the Authority. However, it has been determined that the Gulf Breeze Apartments Partners, LTD are not a component unit of the Authority.

In addition to Gulf Breeze Apartments, the Authority completed construction in early 2017 on a 120-unit two phase mixed finance property called The Verandas of Punta Gorda I & II. These communities are for seniors 55 or better and comprised 1- and 2-bedroom apartment homes. This community consist of 65 Public Housing units, 45 Project Base Voucher units and 10 Affordable units. The property amenities include Library, Computer Center, Health Clinic, Billiards Room and Community/Dining Room. The community is located in the City of Punta Gorda with easy access to local shopping and medical facilities. This entity is also a related party to the Authority. However, it has been determined that Verandas of Punta Gorda, LLLP and Verandas of Punta Gorda II, LLLP are not a component unit of the Authority.

Program Accounting

Many of the programs maintained by the Authority are required by the Department of Housing and Urban Development. Others are segregated to enhance accountability and control.
Authority's Programs

- Low Rent Public Housing (CFDA #14.850)
- Capital Fund Program (CFDA #14.872)
- Resident Opportunity and Supportive Services (CFDA #14.870)
- Housing Choice Voucher (Section 8) (CFDA #14.871)
- Family Self-Sufficiency (CFDA #14.896)
- Mainstream (CFDA #14.879)
- Home Tenant Based Rental Assistance (CFDA #14.239)

Economic Factors

Significant economic factors affecting the Authority are as follows:

- Federal funding of the Department of Housing and Urban Development,
- Local labor supply and demand, which can affect salary and wage rates,
- Local inflationary, reversionary and employment trends, which can affect resident incomes and therefore the amount of rental income,
- Inflationary pressure on utility rates, supplies and other costs.

Contacting The Authority's Financial Management

Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Executive Director, Punta Gorda Housing Authority, 340 Gulf Breeze Avenue, Punta Gorda, Florida, 33950.

PUNTA GORDA HOUSING AUTHORITY
Punta Gorda, Florida

STATEMENT OF NET POSITION
MARCH 31, 2022

ASSETS	
Current assets	
Cash and cash equivalents, unrestricted	$ 3,232,588
Cash and cash equivalents, restricted	2,840,757
Accrued interest receivable	115,158
Accounts receivable, net of allowance	1,074
Due from other governments	274,833
Prepaid expense	108,935
Total current assets	**6,573,345**
Noncurrent assets	
Other assets	
Notes and mortgages receivable	18,184,043
Interest receivable	1,277,005
Total other assets	**19,461,048**
Capital assets	
Not being depreciated	5,471,078
Depreciable, net	1,423,757
Total capital assets, net	**6,894,835**
	26,355,883
Total assets	**32,929,228**
Deferred Outflow of Resources	**-**
Total Assets and Deferred Outflow of Resources	**32,929,228**
LIABILITIES	
Current liabilities	
Vendors and contractors payable	10,539
Accrued wages/taxes payable	10,435
Accrued compensated absences	42,579
Accrued interest payable	128,373
Due to other governments	23,409
Notes and bonds payable	40,000
Resident security deposits	11,880
Total current liabilities	**267,215**
Noncurrent liabilities	
Notes and bonds payable	3,059,090
Accrued compensated absences	12,402
Other accrued liabilities	112,825
Total noncurrent liabilities	**3,184,317**
Total liabilities	**3,451,532**
Deferred Inflow of Resources	**-**
Total Liabilities and Deferred Inflow of Resources	**3,451,532**
NET POSITION	
Net investment in capital assets	6,894,835
Restricted	2,716,052
Unrestricted	19,866,809
Total net position	**$ 29,477,696**

The accompanying notes are an integral part of these basic financial statements.

PUNTA GORDA HOUSING AUTHORITY
Punta Gorda, Florida

PRIMARY GOVERNMENT

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED MARCH 31, 2022

Operating revenues	
Rental revenue	$ 259,928
HUD grants	3,910,725
Other revenue	704,257
Total operating revenues	**4,874,910**
Operating expenses	
Administrative	742,715
Tenant services	143,801
Utilities	23,946
Ordinary maintenance & operation	228,571
Insurance	65,310
General expenses	473,846
Housing assistance payments	3,003,175
Depreciation	152,093
Total operating expenses	**4,833,457**
Operating income (loss)	**41,453**
Nonoperating revenues (expenses)	
Interest revenue, unrestricted	462
Mortgage interest revenue	245,483
Interest expense	(149,750)
Fraud recovery	24,092
Total nonoperating revenues	**120,287**
Income (loss) before contributions and transfers	**161,740**
Capital contributions	**3,936**
Increase (decrease) in net position	**165,676**
Net position, beginning of year, restated (see Note S)	**29,312,020**
Net position, end of year	**$ 29,477,696**

The accompanying notes are an integral part of these basic financial statements.

PUNTA GORDA HOUSING AUTHORITY
Punta Gorda, Florida

STATEMENT OF CASH FLOWS
Cumulative as of MARCH 31, 2022

Cash Flows From Operating Activities	
Receipts from dwelling rentals	$ 251,764
Operating grants	3,623,325
Other receipts	722,227
Payments to employees and suppliers	(1,750,243)
Payments to landlords and residents	(3,045,418)
Net cash provided (used) by operating activities	**(198,345)**
Cash Flows From Noncapital Financing Activities	
Proceeds received on operating debt	89,090
Interest paid on operating debt	(143,938)
Net cash provided (used) by noncapital financing activitiews	**(54,848)**
Cash Flows From Capital and Related Financing Activities	
Capital contributions	3,936
Purchases of capital assets	(3,936)
Net cash provided (used) by capital and related financing activities	**-**
Cash Flows From Investing Activities	
Proceeds from homebuyer note activity - net	92,704
Interest	211,431
Net cash provided (used) by investing activities	**304,135**
Net increase (decrease) in cash and cash equivalents	**50,942**
Balance - beginning of the year	**6,022,403**
Balance - end of the year	**$ 6,073,345**
Reconciliation of Cash Flows to Statement of Net Position	
Cash and cash equivalents, unrestricted	$ 3,232,588
Cash and cash equivalents, restricted	2,840,757
	$ 6,073,345

There are no non-cash transactions.

PUNTA GORDA HOUSING AUTHORITY
Punta Gorda, Florida

STATEMENT OF CASH FLOWS
Cumulative as of MARCH 31, 2022
(Continued)

Reconciliation of Net Operating Income (Loss) to
Net Cash Provided (Used) By Operating Activities

Operating income/(loss)	**$ 41,453**
Adjustments to reconcile net operating income (loss) to net cash provided (used) by operating activities:	
Depreciation elimination	152,093
Decrease in accounts receivable	3,532
Increase in due to/from other governments	(286,808)
Increase in prepaid expenses	(64,760)
Increase in other assets	(67,031)
Increase in security deposits	1,590
Increase in accounts payable	2,118
Decrease in accrued wages	(8,330)
Decrease in accrued compensated absences	(5,445)
Increase in unearned revenue	(4,497)
Decrease in accrued liabilities	(9,958)
Prior year restatement	23,606
Other revenue and expense reported as nonoperating	24,092
	$ (198,345)

The accompanying notes are an intregral part of these basic financial statements.

NEWSTAR DEVELOPMENT, LLC

Financial Statements
(with Supplemental Information)
And Independent Auditor's Report

December 31, 2024 and 2023

TIDWELL group

Newstar Development, LLC

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TIDWELL group

INDEPENDENT AUDITOR'S REPORT

To the Members
Newstar Development, LLC

Opinion

We have audited the accompanying financial statements of Newstar Development, LLC, which comprise the balance sheet as of December 31, 2024, and the related statement of operations and changes in owner's equity (deficit), and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Newstar Development, LLC as of December 31, 2024, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Newstar Development, LLC and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other Matter

The 2023 financial statements were reviewed by us and our report thereon, dated July 18, 2024, stated we were not aware of any material modifications that should be made to those statements for them to be in accordance with accounting principles generally accepted in the United States of America. A review is substantially less in scope than an audit and does not provide a basis for the expression of an opinion on the financial statements as a whole.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Newstar Development, LLC's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement due to fraud is higher than for one resulting from an error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Newstar Development, LLC's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Newstar Development, LLC's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Supplemental Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplemental information is presented for purposes of additional analysis and is not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Tidwell Group, LLC

Columbus, Ohio

April 24, 2024

Newstar Development, LLC
Balance Sheets
December 31, 2024 and 2023

Assets

	2024	2023
Current Assets		
Cash and cash equivalents	$ 324,089	$ 629,043
Accounts receivable	941	-
Prepaid expenses	93	-
Due from affiliate	-	104,906
Total Current Assets	325,123	733,949
Property and Equipment		
Furniture and fixtures	51,136	-
Equipment	35,688	5,459
	86,824	5,459
Less accumulated depreciation	(8,349)	(637)
Total Property and Equipment	78,475	4,822
Other Assets		
Projects under investigation	3,236,730	653,923
Development fee receivable	1,402,581	105,508
Security deposits	9,181	9,181
Right-of-use asset - office space	61,709	78,537
Total Other Assets	4,710,201	847,149
Total Assets	$ 5,113,799	$ 1,585,920

See Notes to Financial Statements.

Newstar Development, LLC
Balance Sheets - continued
December 31, 2024 and 2023

Liabilities and Members' Equity (Deficit)

	2024	2023
Current Liabilities		
Accounts payable	$ 269,918	$ 47,243
Reimbursement obligations	668,747	-
Advances from affiliate	416,519	236,535
Total Current Liabilities	1,355,184	283,778
Long-Term Liabilities		
Lease liability - office space	62,170	78,537
Total Liabilities	1,417,354	362,315
Members' Equity (Deficit)	3,696,445	1,223,605
Total Liabilities and Members' Equity (Deficit)	$ 5,113,799	$ 1,585,920

See Notes to Financial Statements.

Newstar Development, LLC
Statements of Operations
Years ended December 31, 2024 and 2023

	2024	2023
Revenue		
Development fee revenue	$ 1,787,856	$ 608,824
Interest income	6,472	2,323
Other income	-	14,882
Total Revenue	1,794,328	626,029
Expenses		
Salaries and employee benefits	515,522	249,148
Administrative expenses	72,510	54,218
Lease expense	29,638	27,542
Professional fees	95,231	37,448
Insurance	463	285
Unrecoverable project costs	129,066	-
Depreciation	7,712	637
Interest expense	-	100,097
Total Expenses	850,142	469,375
Net Income	$ 944,186	$ 156,654

See Notes to Financial Statements.

Newstar Development, LLC
Statements of Changes in Equity (Deficit)
Years ended December 31, 2024 and 2023

	Anise Development, LLC	Corder Development, LLC	Norstar Development USA, LP	Richard L. Higgins	Total
Balance at December 31, 2022	$ 83,913	$ 35,327	$ -	$ -	$ 119,240
Distributions	(25,573)	(26,716)	-	-	(52,289)
Contributions	-	-	-	1,000,000	1,000,000
Net income - January 1 to September 5	62,662	31,331	10,444	-	104,437
Partnership interest transfer	-	-	(10,444)	10,444	-
Net income - September 6 to December 31	26,109	13,054	-	13,054	52,217
Balance at December 31, 2023	147,111	52,996	-	1,023,498	1,223,605
Distributions	(18,500)	(8,846)	-	-	(27,346)
Contributions	204,000	102,000	-	1,250,000	1,556,000
Net income	432,720	275,419	-	236,047	944,186
Balance at December 31, 2024	$ 765,331	$ 421,569	$ -	$ 2,509,545	$ 3,696,445

See Notes to Financial Statements.

Newstar Development, LLC
Statememts of Cash Flow
Years ended December 31, 2024 and 2023

	2024	2023
Cash Flows from Operating Activities		
Net income	$ 944,186	$ 156,654
Adjustments to Reconcile Net Income to Net Cash used in Operating Activities		
Depreciation	7,712	637
Changes in:		
Development fee receivable	(1,297,073)	(105,508)
Accounts receivable	(941)	-
Prepaid expenses	(93)	3,751
Projects under investigation	(2,582,807)	(52,800)
Right-of-use asset - office space	16,828	-
Accounts payable	222,675	44,086
Lease liability - office space	(16,367)	-
Security deposits	-	(9,181)
Reimbursement obligations	668,747	-
Net Cash Used in Operating Activities	(2,037,133)	37,639
Cash Flows from Investing Activities		
Expenditures on property and equipment	(81,365)	(5,459)
Net Cash Used in Investing Activities	(81,365)	(5,459)
Cash Flows from Financing Activities		
Collection of amounts owed from affiliates	104,906	-
Proceeds from (repayment of) affiliate advances	179,984	(611,018)
Contributions	1,556,000	1,000,000
Distributions	(27,346)	(52,289)
Net Cash Provided by Financing Activities	1,813,544	336,693
Net (Decrease) Increase in Cash	(304,954)	368,873
Cash - Beginning of the Year	629,043	260,170
Cash - End of the Year	$ 324,089	$ 629,043
Significant Non-Cash Investing and Financing Activities:		
Right-of-use assets acquired by long term lease		$ 78,537
Lease liability incurred releated to right-of-use asset		$ 78,537

See Notes to Financial Statements.

NOTE 1 - COMPANY AND NATURE OF OPERATIONS

Newstar Development, LLC (the Company) was formed as a limited liability company under the laws of the State of Florida on July 16, 2020. The purpose of the Company is to acquire, own, develop, mortgage, encumber, lease, sell, maintain, improve, alter, remodel, expand, manage, and otherwise operate and deal with real property and to provide consulting and other services relating to real property, including, without limitation, obtaining financing and refinancing for the above purposes, selling, exchanging, transferring, or otherwise disposing of all or part of the property and investing and reinvesting any funds held in reserve pursuant to the terms of the operating agreement.

The member interests of Newstar Development, LLC are as follows:

	January 1, 2023 through September 5, 2023	September 5, 2023 through December 31, 2023	January 1, 2024 through December 31, 2024
Anise Development, LLC	50.00%	50.00%	45.83%
Corder Development, LLC	25.00%	25.00%	29.17%
Norstar Development USA, LP	25.00%	0.00%	0.00%
Richard L. Higgins	0.00%	25.00%	25.00%

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES

<u>Basis of Accounting</u>

The Company prepares its financial statements on the accrual basis of accounting consistent with accounting principles generally accepted in the United States of America.

<u>Cash, Cash Equivalents, and Restricted Cash</u>

For purposes of reporting cash flows, cash and equivalents includes money market accounts and any highly liquid debt instruments purchased with a maturity of three months or less. As of December 31, 2024 and 2023, there is no restricted cash.

<u>Property and Equipment</u>

Property and equipment are recorded at cost. Depreciation is provided for in amounts sufficient to relate the cost of depreciable assets to operations over their estimated service lives using the straight-line method. Improvements are capitalized, while expenditures for maintenance and repairs are charged to expense as incurred. Upon disposal of depreciable property, the appropriate property accounts are reduced by the related costs and accumulated depreciation. The resulting gains and losses are reflected in the statements of operations.

The estimated useful lives of the various classes of property and equipment are as follows:

Furniture and equipment	5 years

Income Taxes

The Company has elected to be treated as a pass-through entity for income tax purposes and, as such, is not subject to income taxes. Rather, all items of taxable income, deductions and tax credits are passed through to and are reported by its owners on their respective income tax returns. The Company's Federal tax status as a pass-through entity is based on its legal status as a Partnership. Accordingly, the Company is not required to take any tax positions in order to qualify as a pass-through entity. The Company is required to file and does file tax returns with the Internal Revenue Service and other taxing authorities. Accordingly, these financial statements do not reflect a provision for income taxes and the Company has no other tax positions which must be considered for disclosure. Generally, income tax returns filed by the Company are subject to examination by the Internal Revenue Service for a period of three years. While no income tax returns are currently being examined by the Internal Revenue Service, tax years since 2021 remain open.

Development Fees

The principal source of revenue for the Company is fees earned from the development of low-income housing projects sponsored by Federal, State and Local Governments. The Company enters contracts to develop properties on a fee basis for projects in which the Company holds an interest through a general partnership (or company) interest or for unrelated third parties. In these cases, the Company typically agrees to be responsible for all aspects of development through the completion of construction of the project. In return for the development services provided, the Company receives payments as certain milestones are achieved. A portion of the fees are received at various, specified dates in the partnership (or operating) agreements and are paid from capital contributions of the limited partner(s) (or investor member(s)) or other development sources. In addition to the fees paid from capital contributions or other development sources, generally, a portion of the fees will be paid from future cash flows of the various projects as cash becomes available, but not at predetermined, specified dates.

Due to the expected length of time between completion of development services and payments made on the deferred portion of the fees to be made from future cash flows, management has determined that the deferred portion of the fees represent a significant financing component. As such in determining the transaction price, the deferred portion of the fees has been discounted using a rate equal to the interest rate on the permanent financing associated with the entity, as management believes that is the best estimate of the interest rate that it would use if the Company were to enter into a separate financing transaction with the entity. Interest income on the significant financing component is recognized over each entity's respective financing period based on estimated payments from future cash flows using the operating budget. No interest income related to the significant financing components was recognized during the years ended December 31, 2024 or 2023.

Management also identified any variable consideration according to the terms of each agreement. For any variable consideration that is identified, management uses the best estimate approach to establish the total transaction price of the contract.

Once the transaction price is established, management allocates the price among the performance obligations as designated in the contracts. Generally, management has determined that approximately twenty percent of the performance obligations are incurred prior to the initial closing of the projects, with the remaining approximately eighty percent of the performance obligations being incurred during construction. The portion of the transaction price that is recognized during construction is recognized using the input method, based on the proportion of the total construction contract that has been incurred to date. Developer fees earned and paid for with investor equity or project debt are capitalized in the respective entity's building basis and recorded as income.

Development Fee Receivable

Developer fees receivable are reported net of an allowance for credit losses. The Company maintains an allowance for credit losses and charges losses to the allowance when such losses are realized. The determination of the allowance for credit losses requires significant judgements including management's best estimate of probable losses determined based on the Company's actual experience adjusted for changes in relevant economic factors. As of December 31, 2024 and 2023, there was no allowance for credit losses. In addition, no credit loss expense was recognized during the years ended December 31, 2024 and 2023.

Leases

The Company has an operating lease recorded as a right-of-use asset and lease liability on the accompanying balance sheets. The right-of-use asset and the related lease liability are recognized based on the present value of the future minimum lease payments over the lease term as of the commencement date. Leases may include options to extend or terminate the lease, which are included in the right-of-use asset and lease liability when they are reasonably certain of exercise. Lease expense associated with minimum lease payments is recognized on a straight-line basis over the lease term.

Use of Estimates

The preparation of the financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE 3 - PROJECTS UNDER INVESTIGATION

The Company incurs costs in identifying potential opportunities and paying for pre-development expenses prior to closing with lenders and investors. These costs are normally reimbursed to the Company when a deal closes. Costs that are directly identifiable with a specific project and for which acquisition of the project is probable to occur are capitalized as costs associated with projects under investigation. If the Company determines that a project is no longer feasible, the costs are expensed as unrecoverable project costs. Unrecoverable project cost expense totaled $129,066 and $-0- for the years ended December 31, 2024 and 2023, respectively.

Total costs incurred and capitalized as projects under investigation were $3,236,730 and $653,923 as of December 31, 2024 and 2023, respectively. The number of projects under investigation as of December 31 2024 and 2023 were 9 and 7, respectively.

In order to fund the costs related to the projects under investigation, Norstar USA, Ltd, an affiliate of one of the members, advanced funds to the Company. Interest charged on the advance in the amount of $100,097 was incurred during the year ended December 31, 2023. The advance was repaid in October 2023, as such there was no interest incurred during the year ended December 31, 2024. Accrued and unpaid interest totaled $-0- and $58,303 as of December 31, 2024 and 2023, respectively, and is included in advances from affiliates on the accompanying balance sheets. The interest has been charged to operations since it is unlikely the Company will be reimbursed from the proceeds from future financial closings of these projects.

NOTE 4 - MAJOR CUSTOMERS

The Company's revenue was the result of development fees for tax credit projects major customers in Florida. Development fees earned for the years ended December 31, 2024 and 2023 and the major customers are as follows:

Project	Location	Amount
The Verandas of Punta Gorda III, LLLP	Florida	$ 802,026
Heritage Oaks, LLLP	Florida	883,830

NOTE 5 - RELATED PARTY TRANSACTIONS

Due from Affiliate

Due from affiliate consists of funds advanced to an affiliate of two of the members. The advances are non-interest bearing and are payable on demand. These advances are classified as short-term on the accompanying balance sheets. The balance of funds due from affiliates at December 31, 2024 and 2023, amounted to $-0- and $104,906, respectively.

Advances from Affiliate

Advances from affiliate consists of funds advanced by Norstar USA, Ltd., an affiliate of a member of the Company. The advances are non-interest bearing and will be repaid from proceeds of future development fee installment payments. These advances are classified as short-term on the accompanying balance sheet. The balance of funds due to related parties at December 31, 2024 and 2023, amounted to $416,519 and $236,535, respectively.

Development Fees

The Company receives development fees from various affiliates for tax credit developments which are based on a percentage of the budgeted development cost per the development agreement. During the years ended December 31, 2024 and 2023, development fees amounting to $1,787,856 and $608,824, respectively, were earned from affiliates (Note 2).

NOTE 6 - LEASE

The Company leases office space from Mid-Atlantic Investments, Inc. (Mid-Atlantic), an unrelated party. The original lease agreement with Mid-Atlantic commenced on May 1, 2023 with an initial expiration date of April 30, 2026. Under the lease agreement, monthly rent payments are due, escalating annually. The lease agreement does not contain any nonlease payments or components or give the Company the option to purchase the underlying office space. During September 2024, the lease agreement was amended to allow for additional square footage. The expiration date was unchanged by the amendment. The lease provides for one optional renewal period of three years; however, as of both December 31, 2023 and 2024, respectively, management has determined that it is not reasonably certain that the renewal option will be exercised. As such the renewal period has not been factored into the resulting right-of-use asset or lease liability.

Management has elected to use the risk-free rate of interest in effect at the inception of the lease (3.85%) as the applicable discount rate when determining the value of the right-of-use asset and related lease liability. Upon amending the agreement in 2024, the right-of-use asset and lease liability were remeasured using the risk-free rate in effect as of the amendment (3.91%).

As of December 31, 2024 and 2023, the right-of-use asset a value of $61,709 and $78,537, respectively, and the related lease liability totaled $62,170 and $78,537, respectively. During the years ended December 31, 2024 and 2023, lease expense for the right-of-use asset was $29,638 and $27,542 , respectively.

The future minimum lease payments associated with the leased office space are as follows:

2025	47,593
2026	16,120

NOTE 7 - CONCENTRATION OF CREDIT RISKS

The Company maintains its cash, restricted deposits, and reserves with financial institutions. The bank balances are insured by the Federal Deposit Insurance Company up to $250,000 at each bank. At times, these balances may exceed the federal insurance limits; however, the Company has not experienced any losses with respect to its bank balances in excess of government provided insurance. Management believes that no significant concentration of credit risk exists with respect to these bank balances at December 31, 2024 and 2023. As of December 31, 2024 and 2023, the cash balances of the Company exceeded the FDIC insured limit by $134,666 and $372,824, respectively.

NOTE 8 – COMMITMENTS AND CONTINGENCIES

The Company acts as a guarantor for one related party limited partnership owning rental real estate (project) serving the affordable housing industry. As a guarantor, the Company is contingently liable to the extent the liabilities of the entity are not otherwise satisfied by its assets and contingently liable to the investors in the event tax credits do not meet projected amounts. Entities guaranteed by the Company have had no history of tax credits being recaptured.

As a guarantor in the project, the Company has guaranteed the operating deficits of the entity and is obligated for a specified amount, as determined by the partnership agreement, from initial operations through a specified period, also as determined by the partnership agreement.

The Company also provides guarantees for construction and rehabilitation loans for the project and provides a construction period completion guarantee, whereby the Company guarantees the project will be constructed in accordance with defined plans and specifications. The guaranty includes funding all amounts incurred to complete construction or rehabilitation in excess of existing sources of financing. Any financing arrangements made and funds provided by the Company under these guarantees would be in the form of a non-interest bearing loan and would be repaid as cash flow of the project permits or as income to the limited partnership based on the specific language of the partnership agreement.

The Company’s maximum exposure to the guarantees is not determinable with any degree of accuracy, as determination of the ultimate amounts is dependent upon the Company’s and certain related parties’ ability to oversee, manage and optimize cash flows of the project.

NOTE 9 – CURRENT VULNERABILITY DUE TO CERTAIN CONCENTRATIONS

The Company provides development services without collateral to customers located in the state of Florida. The ability of each of the Company’s customers to honor their obligations to the Company is dependent upon their operations and economic and other factors unique to this geographic region.

NOTE 10 - SUBSEQUENT EVENTS

Events that occur after the balance sheet date but before the financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the balance sheet date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the balance sheet date require disclosure in the accompanying notes. Management evaluated the activity of Newstar Development, LLC through April 24, 2024 (the date the financial statements were available to be issued) and concluded that no subsequent events have occurred that would require recognition in the Financial Statements or disclosure in the Notes to the Financial Statements.

SUPPLEMENTAL INFORMATION

Newstar Development, LLC
Schedule of Developer Fees (Unaudited)
December 31, 2024

Awarded Project Name	4/9	State	Total Fee Amount	ESTIMATED CASH COLLECTIONS 2025	2026	2027
The Verandas of Punta Gorda II	9	Florida	1,540,593	445,526		
Heritage Oaks	9	Florida	1,528,595	290,511	506,710	
Ridgecrest Oaks	9	Florida	2,536,123	634,031	634,031	1,224,578
Palm Lake Urban Sanctuary	9	Florida	2,802,226	692,518	692,518	1,416,999
Woodland Park II	4	Florida	4,439,116	899,944	899,944	1,799,889
Driftwood Terrace	4	Florida	5,008,233	784,344	3,137,377	
			17,854,886	3,746,874	5,870,580	4,441,466

The deferred portion of the fee, not reflected in estimated collections above, will be paid from the project's operating cash flow after stabilization

Exhibit I.

WARRANTY DEED

STATE #4800.00
DST 1,760.00
Doc 1 8.80

FILED

1970 JUL 22 AM 11 26

339 764

J. T. LAWHORNE
CLERK OF CIRCUIT COURT
CHARLOTTE COUNTY, FLORIDA

WARRANTY DEED

THIS INDENTURE, made this 22nd day of JULY, A.D., 1970, between KIRKPATRICK AND ASSOCIATES, INC., a North Carolina Corporation of Greensboro, County of Guilford, State of North Carolina, party of the first part, and PUNTA GORDA HOUSING AUTHORITY, of Charlotte County, Florida, whose Post Office address is 400 E. Marion Ave. Punta Gorda, FLA. party of the second part,

WITNESSETH

THAT the said party of the first part for and in consideration of the sum of TEN DOLLARS AND OTHER VALUABLE CONSIDERATIONS, to them in hand paid, the receipt whereof is hereby acknowledged, has granted, bargained, sold, aliened, remised, released, enfeoffed, conveyed and confirmed and by these presents does grant, bargain, sell, alien, remise, release, enfeoff, convey and confirm unto the said party of the second part and its successors and assigns forever, all that certain parcel of land lying and being in the County of Charlotte and State of Florida, more particularly described as follows:

A part of the SE¼ of the SE¼ of Section 6, Township 41 South, Range 23 East, Charlotte County, Florida, being more particularly described as follows:

Commence at the SE corner of said Section 6, Township 41 South, Range 23 East, said corner being the intersection of the centerlines of

208445

ELWOOD P. SAFRON
ATTORNEY AT LAW
PUNTA GORDA, FLA.

STATE OF FLORIDA DOCUMENTARY STAMP TAX JUL 22'70 9900 COMPTROLLER P.B. 190143

STATE OF FLORIDA DOCUMENTARY SUR TAX $11.00

RECORDED IN BOOK 339 PAGE 765

Cooper Street (60' R/W) and Myrtle Street (60' R/W); thence N 0° 13' 11" E, along the centerline of Cooper Street, 30.00'; thence N 89° 51' 59" W, 30.00' to the intersection of the West R/W of Cooper Street and the North R/W of Myrtle Street, for a P.O.B.; thence N 89° 51' 59" W, along said North R/W of Myrtle Street, 1258.02'; thence N 0° 08' 01" E, 187.23'; thence N 31° 47' 59" W, 57.81' to the Southerly R/W of the Atlantic Coast Line Railroad (120' R/W); thence N 64° 57' 11" E, along said Southerly railroad R/W 802.60'; thence S 0° 19' 11" W, 208.00'; thence N 64° 57' 11" E, 393.10'; thence S 0° 13' 11" W, 208.13'; thence N 64° 57' 11" E, 230.00' to the West R/W of Cooper Street; thence S 0° 13' 11" W, along said West R/W of Cooper Street, 426.70' to the P.O.B.

All lying and being in Section 6, Township 41 South, Range 23 East, Charlotte County, Florida, containing 528,437.186 Sq. Ft., or 12.1312 acres ±.

Subject to restrictions, reservations, and easements of record heretofore granted the City of Punta Gorda and Florida Power and Light Company and taxes for the year 1970., the said easements being recorded in O.R. Book 323, Page 660 and O.R. Book 323, Page 662 of the public records of Charlotte County, Florida. and the said party of the first part does hereby fully warrant the title to said land, and will defend the same against the lawful claims of all persons whomsoever.

IN WITNESS WHEREOF, the said party of the first part has caused these presents to be signed in its name by its President, and its Corporate Seal to be affixed, attested by its Secretary the day and year above written.

KIRKPATRICK AND ASSOCIATES, INC.

By J.F. Kirkpatrick
J.F. Kirkpatrick, President

Attest:
B.W. Lewallen
B.W. Lewallen, Secretary

Signed, sealed and delivered in our presence:

Elwood P. Safron

R. Noella Marusinski

ELWOOD P. SAFRON
ATTORNEY AT LAW
PUNTA GORDA, FLA.

STATE OF FLORIDA DOCUMENTARY SUR TAX $11.00

STATE OF FLORIDA DOCUMENTARY STAMP TAX JUL 22 70 9900 P.B. 170143

CHARLOTTE COUNTY

This Instrument prepared by
ELWOOD P. SAFRON, Attorney At Law
110 Herald Court, Punta Gorda, Fla.

STATE OF FLORIDA 339 783

COUNTY OF CHARLOTTE

I HEREBY CERTIFY that on this day of JULY 22, A.D., 1970, before me personally appeared J.F. KIRKPATRICK and B.W. LEWALLEN, President and Secretary respectively of KIRKPATRICK AND ASSOCIATES, INC., a Corporation under the laws of the State of North Carolina, to me known to be the persons described in and who executed the foregoing conveyance to PUNTA GORDA HOUSING AUTHORITY and severally acknowledged the execution thereof to be their free act and deed as such Officers, for the uses and purposes therein mentioned; and that they affixed thereto the official seal of said Corporation, and the said instrument is the act and deed of said Corporation.

WITNESS my signature and official seal at Punta Gorda, in the County of Charlotte and State of Florida, the day and year last aforesaid.

B. Nella Marusinski
Notary Public

My Commission Expires:
NOTARY PUBLIC, STATE OF FLORIDA AT LARGE
MY COMMISSION EXPIRES OCT. 17, 1971

NELLA MARUSINSKI NOTARY PUBLIC STATE OF FLORIDA AT LARGE

STATE OF FLORIDA DOCUMENTARY SUR TAX $11.00 JUL 22 1970

ELWOOD P. SAFRON
ATTORNEY AT LAW
PUNTA GORDA, FLA.

EXHIBIT J.

LETTER OF ZONING VERIFICATION

CITY OF PUNTA GORDA

ZONING DIVISION
326 WEST MARION AVENUE
PUNTA GORDA, FL 33950
PHONE: (941) 575-3372

September 30, 2025

Newstar Development, LLC
C/O Jamie Kane
4144 N Armenia Ave., #360
Tampa, Florida 33607
Sent via email: jamie@newstar-development.com

Re: Gulf Breeze Apartments
340 Gulf Breeze Ave.
Punta Gorda, Florida 33950

Mr. Kane,

In response to the request for a zoning letter, which was assigned application number ZL-13-2025, City staff provides the following information:

The property located at 340 Gulf Breeze Ave., Punta Gorda, Florida 33950, otherwise identified by the Charlotte County Property Appraiser as parcel 412306485007, is zoned Neighborhood Residential-15 (NR-15), and has a future land use designation of Traditional Neighborhood. The NR-15 zoning designation allows multi-family homes as a permitted principal use and allows a maximum 15 dwelling units per acre. Containing approximately 12.3 acres, the property would allow a maximum of 185 units.

Concurrency determinations are made at the time of development plan submittal. Building permit requirements will be determined by the extent of work needs to be done. If the valuation of the rehab is more than 50% of the property value, it would have to be brought into full compliance with the Punta Gorda Code and Florida Building Code, including flood elevation requirements. The owner would submit a Development Plan Application, which would be reviewed by City staff then heard before the Development Review Committee (DRC). Following the DRC meeting, the applicant would have three (3) months to obtain approvals from all individual departments; if this is not completed and an extension is not obtained, the application would be denied. If the Development Plan is approved and a Development Order is issued, permits may be released for construction purposes. However, if the valuation of the rehab does not exceed the 50% value, it potentially may not be required to be brought into compliance with certain flood elevation requirements. The building permit process should be verified by the Building Department, who can be reached by phone at (941)575-3324.

Should you have any additional questions, please do not hesitate to contact our office.

Respectfully,

Rachel Barry

Rachel Barry
Zoning Official
City of Punta Gorda

The purpose of this letter is for zoning verification only and shall in no way be construed as a final development determination for the property(ies) referenced herein, nor shall it be construed as an exemption from any public hearing process, or any other requirement set forth in the City of Punta Gorda Land Development Regulations or Code of Ordinances or under Florida law, and is in no way intended to relay any entitlements to the property.

EXHIBIT K.

VERIFICATION OF UTILITY AVAILABILITY

VERIFICATION OF UTILITY AVAILABILITY

Please find copies of current utility bills from Gulf Breeze Apartments, proving the property has utility service availability for electricity (Florida Power & Light), water (City of Punta Gorda), wastewater (City of Punta Gorda) and trash (Waste Management).

FPL

Electric Bill Statement
For: Jul 10, 2025 to Aug 11, 2025 (32 days)
Statement Date: Aug 11, 2025
Account Number: 39403-14150
Service Address:
340 GULFBREEZE AVE # CLBHSE
PUNTA GORDA, FL 33950

GULF BREEZE APARTMENTS PARTNERS LTD,
Here's what you owe for this billing period.

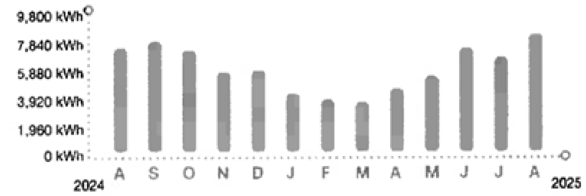
CURRENT BILL

$1,174.91
TOTAL AMOUNT YOU OWE

Sep 2, 2025
NEW CHARGES DUE BY

Pay $917.15 instead of $1,174.91 by your due date to enroll in FPL Budget Billing®. FPL.com/BB

ENERGY USAGE HISTORY



BILL SUMMARY

Amount of your last bill	1,048.39
Payments received	-1,048.39
Balance before new charges	0.00
Total new charges	1,174.91
Total amount you owe	**$1,174.91**

(See page 2 for bill details.)

KEEP IN MIND

- Enroll now in FPL Budget Billing when you pay $917.15 by your due date instead of $1,174.91. Make your bills easier to manage with more predictable payments. Learn more at FPL.com/BB
- Payments received after September 02, 2025 are considered late; a late payment charge, the greater of $5.00 or 1.5% of your past due balance will apply. Your account may also be billed a deposit adjustment.

Company: GB
Invoice: 4150 08112025
Code: 720100
Approval: [illegible]
Amount: 1174.91

Customer Service: 1-800-375-2434
Outside Florida: 1-800-226-3545
Report Power Outages: 1-800-4OUTAGE (468-8243)
Hearing/Speech Impaired: 711 (Relay Service)
Ways to Pay

FPL

/ 27 91715 5507394031415071947110000

The amount enclosed includes the following donation:
FPL Care To Share: _____

Make check payable to FPL in U.S. funds and mail along with this coupon to:

GULF BREEZE APARTMENTS
PARTNERS LTD
340 GULF BREEZE AVE
PUNTA GORDA FL 33950-5634

FPL
GENERAL MAIL FACILITY
MIAMI FL 33188-0001

Visit FPL.com/PayBill for ways to pay.

ACCOUNT NUMBER	TOTAL AMOUNT YOU OWE	NEW CHARGES DUE BY	AMOUNT ENCLOSED
39403-14150	$1,174.91	Sep 2, 2025	$

BILL DETAILS

Amount of your last bill		1,048.39
Payment received - Thank you		-1,048.39
Balance before new charges		$0.00
New Charges		
Rate: GSD-1 GENERAL SERVICE DEMAND		
Base charge:	$30.41	
Non-fuel: ($0.033890 per kWh)	$301.72	
Fuel: ($0 027180 per kWh)	$241.98	
Demand: ($13 41 per KW)	$375.48	
Electric service amount	949.59	
Gross receipts tax (State tax)	24.37	
Franchise fee (Reqd local fee)	57.46	
Utility tax (Local tax)	60.54	
Florida sales tax (State tax)	71.74	
County sales tax (Local tax)	10.33	
Taxes and charges	224.44	
Regulatory fee (State fee)	0.88	
Total new charges		$1,174.91
Total amount you owe		**$1,174.91**

METER SUMMARY

Meter reading - Meter KLJ8094. Next meter reading Sep 10, 2025.

Usage Type	Current	-	Previous	=	Usage
kWh used	17349		08446		8903
Demand KW	28.44				28

ENERGY USAGE COMPARISON

	This Month	Last Month	Last Year
Service to	Aug 11, 2025	Jul 10, 2025	Aug 9, 2024
kWh Used	8903	7171	7893
Service days	32	30	29
kWh/day	278	239	272
Amount	$1,174.91	$1,048.39	$1,127.81

KEEP IN MIND

- Taxes, fees, and charges on your bill are determined and required by your local and state government to be used at their discretion.
- The fuel charge represents the cost of fuel used to generate electricity. It is a direct pass-through to customers. FPL does not profit from fuel, although higher costs do result in higher state and local taxes and fees.

PUNTA GORDA
FLORIDA
It's Happening On The Harbor®

City of Punta Gorda Utility Billing

941-639-2528
126 Harvey St
Punta Gorda, FL 33950

CITY OF PUNTA GORDA FLORIDA

SERVICE ADDRESS	730 HAZEL ST		
ACCOUNT NUMBER	CYCLE-ROUTE	BILL DATE	DUE DATE
3556-3012	02-07	8/14/2025	9/04/2025

Total Current Charges	7939.39
Past Due	0.00
Total Amount Due	7939.39

P G HOUSING AUTH
340 GULF BREEZE AVE

PUNTA GORDA FL 33950

Please return this portion with payment. ***Thank You.***

SERVICE ADDRESS **730 HAZEL ST**

ACCOUNT NUMBER	CYCLE-ROUTE	BILL DATE	DUE DATE
3556-3012	02-07	8/14/2025	9/04/2025

Last Bill Amount	8521.15
Payments	-8521.15
Adjustments	0.00
Unpaid Balance	0.00

Rate Class: MULTI-FAMILY
Last payment amount/date: 8521.15 8/04/2025

Service Period			Days	Meter Number	Current	Previous	Usage
WA	7/11/25	8/06/25	26	70187861	92855	92855	0
WA	7/11/25	8/06/25	26	70187861	26077	26077	0

Service		Consumption	Charge	Total
WA	CUSTOMER BILL CHARGE		5.61	0.00
WA	WA PER ERU		2231.70	0.00
	TOTAL WATER			2237.31
WW	WW PER ERU		5702.08	5702.08
		Total Current Charges		7939.39
		Balance Forward		0.00
		Total Amount Due		7939.39

Average cost per day	305.36

Acct Code 720250 $ 7239.39
Acct Code $
Acct Code $
Acct Code $
App'd By
Date

WM

INVOICE

Customer ID:	**14-78321-82002**
Customer Name:	GULF BREEZE APTS PARTNER
Service Period:	07/16/25-07/31/25
Invoice Date:	08/01/2025
Invoice Number:	0069008-0336-9

How to Contact Us

Visit wm.com/MyWM

Create a My WM profile for easy access to your pickup schedule, service alerts and online tools for billing and more. Have a question? Check our support center or start a chat.

Customer Service: (866) 807-2266

Your Payment is Due

08/31/2025

If full payment of the invoiced amount is not received within your contractual terms, you may be charged a monthly late charge of 2.5% of the unpaid amount, with a minimum monthly charge of $5, or such late charge allowed under applicable law, regulation or contract.

Your Total Due

$1,050.58

Previous Balance	+	Payments	+	Adjustments	+	Current Invoice Charges	=	Total Account Balance Due
1,140.02		(1,140.02)		0.00		1,050.58		**1,050.58**

DETAILS OF SERVICE

Details for Service Location: **Customer ID: 14-78321-82002**
Gulf Breeze Apts Partner (Wmc), 340 Gulf Breeze Ave, Punta Gorda FL 33950-5634

Description	Date	Ticket	Quantity	Amount
34 YD COMPACTOR	07/30/25	370811	1.00	636.91
HAUL + DTN				0.00
DISPOSAL PER TON			8.10	318.16
Ticket Total				**955.07**
FRN FEE 10%-CTY OF PUNTA GORDA				95.51
Total Current Charges				**1,050.58**

Company: GB
Invoice: 0069008-0336-9
Code: 720350
Approval: [illegible]
Amount: 1050.58

Please detach and send the lower portion with payment --- (no cash or staples)

WM

WASTE MANAGEMENT INC. OF FLORIDA
WASTE MANAGEMENT OF CHARLOTTE COUNTY
PO BOX 3020
MONROE, WI 53566-8320
(866) 807-2266
(941) 629-1106

Invoice Date	Invoice Number	Customer ID (Include with your payment)
08/01/2025	0069008-0336-9	14-78321-82002
Payment Terms	**Total Due**	**Amount**
Total Due by 08/31/2025	$1,050.58	

0336000147832182002000690080000010505800000105058 2

I0290091

GULF BREEZE APTS PARTNER
340 GULF BREEZE AVE
PUNTA GORDA FL 33950-5634

Remit To: WM CORPORATE SERVICES, INC.
AS PAYMENT AGENT
PO BOX 4648
CAROL STREAM, IL 60197-4648

GREENER WAYS TO PAY

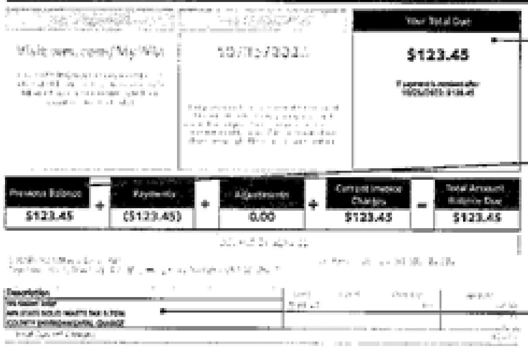
Please choose one of these sustainable payment options:

AutoPay
Set up recurring payments with us at **wm.com/myaccount**

Online
Use **wm.com** for quick and easy payments

By Phone
Pay 24/7 by calling
866-964-2729

HOW TO READ YOUR INVOICE



1. Your Total Due is the total amount of current charges and any previous unpaid Balances combined. This also states the date payment is due to WM, anything beyond that date may incur additional charges.
2. Previous balance is the total due from your previous invoice. We subtract any Payments Received/Adjustments and add your Current Charges from this billing cycle to get a Total Due on this invoice. If you have not paid all or a portion of your previous balance, please pay the entire Total Due to avoid a late charge or service interruption.
3. Service location details the total current charges of this invoice.

New Payment Platform

Here are more details about our enhanced online bill-pay system. Powered by Paymentus, the platform will provide more options and flexibility when managing and paying your bills.

Expanded payment options.
Pay with PayPal, Apple Pay, or Google Pay; via secure direct debit from a bank account; or by credit or debit card.

Anytime, anywhere payments.
Same great 24/7 availability so you can make payments when convenient or set it and forget it with AutoPay.

Complete Hub for account activity.
Continue to view and manage your bills directly from **My WM** (wm.com/mywm).

If your service is suspended for non-payment, you may be charged a Resume charge to restart your service. For each returned check, a charge will be assessed on your next invoice equal to the maximum amount permitted by applicable state law.

☐ Check Here to Change Contact Info

List your new billing information below. For a change of service address, please contact **WM**.

Address 1	
Address 2	
City	
State	
Zip	
Email	
Date Valid	

☐ Check Here to Sign Up for Automatic Payment Enrollment

If I enroll in Automatic Payment services, I authorize **WM** to pay my invoice by electronically deducting money from my bank account. I can cancel authorization by notifying **WM** at **wm.com** or by calling the customer service number listed on my invoice. Your enrollment could take 1-2 billing cycles for Automatic Payments to take effect. Continue to submit payment until page one of your invoice reflects that your payment will be deducted.

Email	
Date	
Bank Account Holder Signature	

NOTICE: By sending your check, you are authorizing the Company to use information on your check to make a one-time electronic debit to your account at the financial institution indicated on your check. The electronic debit will be for the amount of your check and may occur as soon as the same day we receive your check.

In order for us to service your account or to collect any amounts you may owe (for non-marketing or solicitation purposes), we may contact you by telephone at any telephone number that you provided in connection with your account, including wireless telephone numbers, which could result in charges to you. Methods of contact may include text messages and using pre-recorded/artificial voice messages and/or use of an automatic dialing device, as applicable. We may also contact you by email or other methods as provided in our contract.

Please send all bankruptcy correspondence to RMCbankruptcy@wm.com or PO Box 43290 Phoenix, AZ 85080. Using the email option will expedite your request. (this language is in compliance with 11 USC 342(c)(2) of the Bankruptcy Code)

EXHIBIT L.

VERIFICATION OF SFWMD COMPLIANCE

Verification of SFWMD Compliance

The South Florida Water Management District has designated Gulf Breeze Apartments as "In Operation," reflecting its active status and completion of all required infrastructure systems. As part of its regulatory oversight, SFWMD conducts routine inspections of Gulf Breeze Apartments to verify compliance with established operation and maintenance standards, ensuring that all stormwater management systems, drainage facilities, and related infrastructure continue to perform effectively and in accordance with permit requirements. The Applicant has included the most recent copy of the approved Statement of Inspection for Proper Operation and Maintenance on the following page.

STATEMENT OF INSPECTION FOR PROPER OPERATION AND MAINTENANCE

SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT

2379 BROAD STREET • BROOKSVILLE, FL 34609-6899
(352) 796-7211 OR FLORIDA WATS 1 (800) 423-1476

Within 30 days after completion of the inspection for proper operation and maintenance, the operation and maintenance entity or its authorized agent must SEND THE ORIGINAL PLUS ONE COPY OF THIS FORM to the Southwest Florida Water Management District, 2379 Broad Street, Brooksville, Florida 34609-6899. Upon receipt, the District will review this statement and may inspect the system for compliance with the approved permit and as-built drawings.

(1) SURFACE WATER MANAGEMENT SYSTEM INFORMATION:

Permit No.: 44 20883.002 County: Charlotte

Project Name: City of Punta Gorda - Gulf Breeze Village

Permittee: Punta Gorda Housing Authority

Address: c/o: Norstar Accolade Property Management
340 Gulf Breeze Avenue

City: Punta Gorda State: FL Zip: 33950

Telephone: ______

Southwest Florida Water Management District
MAR 20 2024
Received
Tampa RSB

(2) I hereby certify that an inspection of the above-referenced system was performed on 03/14/24 and further certify based on my observations that all above-ground facilities are being operated and maintained as authorized by the Southwest Florida Water Management District. I further state that it is my opinion based on my observations, knowledge, experience, and any other available information that the below-ground facilities are being operated and maintained as authorized.

By: ______ David S. Franks, P.E. 48591
Signature of Engineer Name *(Please type)* FL P.E. Reg. No.

D. S. Franks & Associates, Inc.
Company Name

P.O. Box 819
Company Address

Ellenton, Florida 34222-0819
City, State, Zip

Phone: (941) 776-2300 Date: 03/18/24

DAVID S. FRANKS LICENSE No. 48591 STATE OF FLORIDA PROFESSIONAL ENGINEER

(Affix Seal)

Form No. LEG-R.044.00 (4/09) Rule 40D-4.351(3), F.A.C.

Exhibit M.

APPRAISAL

AN APPRAISAL REPORT OF
GULF BREEZE, A RENT AND INCOME RESTRICTED APARTMENT COMPLEX LOCATED AT 340 GULF BREEZE AVENUE, PUNTA GORDA, FLORIDA 33950
&
OAK TREE VILLAGE LAND, LOCATED AT 409 FITSHUGH AVENUE, PUNTA GORDA, FLORIDA 33950

PREPARED FOR
NEWSTAR DEVELOPMENT, LLC
4144 NORTH ARMENIA AVENUE
TAMPA, FLORIDA 33607

ATTN: MR. JAMIE KANE

LOCATION COORDINATES
GULF BREEZE
LONGITUDE: -82.03969087
LATITUDE: 26.93301283

OAK TREE VILLAGE
LONGITUDE: -82.04334817
LATITUDE: 26.9354463

DATE OF VALUATION
JULY 21, 2025

DATE OF REPORT
AUGUST 11, 2025

PREPARED BY
MERIDIAN APPRAISAL GROUP, INC.
ROBERT VON, PRESIDENT
STATE-CERTIFIED GENERAL REAL ESTATE APPRAISER RZ1604

ERICA A. ERNST, SENIOR APPRAISER
STATE-CERTIFIED GENERAL REAL ESTATE APPRAISER RZ3560

2200 WINTER SPRINGS BOULEVARD
SUITE 106-334
OVIEDO, FLORIDA 32765
TEL 407.875.6933

August 11, 2025

Mr. Jamie Kane
Newstar Development, LLC
4144 North Armenia Avenue
Tampa, Florida 33607

Re: Appraisal of the 171 unit, rent and income restricted apartment complex, located at 340 Gulf Breeze Avenue and the 2.763 acre site located at 409 Fitzhugh Avenue, Punta Gorda, Charlotte County, Florida 33950.

Meridian File No: 25-SEI

Mr. Kane:

As requested, we have made the necessary investigations and analyses to appraise the Gulf Breeze apartment complex and the land of the former site of Oak Tree Village apartment project.

Gulf Breeze apartment complex was built in 2008 and is 98% occupied. The improvements consist of a 171 unit complex situated on a 12.130 acre site. The property is about 17 years old and appears to be in average condition. As of the date of our inspection, all units were reportedly rentable. The property is considered a Class B improvement in the local area. The subject sets aside 26 (15.205%) of the units for households earning 40% or less of the Area Median Income (AMI) and 142 (17.544%) of the units for households earning 60% or less of AMI. The subject also has three market rate units. Additionally, 85 of the subject units are part of the Public Housing program and receive an ACC subsidy. The subject is restricted by the Housing Credit, SHIP, RRLP, Tax-Exempt Bond and FHLB AHP Loan programs. The rent and income restrictions remain for at least 50 years from the placed in-service date.

Oak Tree Village is three parcels that together contain 2.673 acres. Oak Tree Village is approximately 0.175 miles northwest from Gulf Breeze apartments. Oak Tree Village was a 30-unit apartment complex, but the buildings were condemned after last year's hurricanes. The site has not been cleared. The site is now proposed for 64 units with a family demographic. The subject is proposed to be restricted by the Housing Credit and City of Punta Gorda Local Government Area of Opportunity programs. The developer plans that the project will have 30 project-based vouchers on site.

The purpose of this appraisal was to estimate the market value of the leased fee interest in the subject property (Gulf Breeze) as restricted by the Housing Credit, SHIP, RRLP, Tax-Exempt Bond and FHLB AHP Loan programs and the hypothetical values as if an un-restricted market rate property. We have provided the values of the property as is and as if stabilized. The property is 98% occupied and considered to be stabilized. However, 81 of the current leases in place are below the 2025 current max HERA rents for the area. The Section 8 tenants will have their rents raised when their leases are renewed. The subject is asking the 2025 max HERA rents for new move-ins and does have three 60% AMI units at the current max HERA rents. We have estimated that raising the rent on those 81 units will take about 11 months. The date of valuation is July 21, 2025.

The purpose of this appraisal was to estimate the market value of the fee simple interest in the subject property (Oak Tree Village). We have provided the values of the property as though vacant. The date of valuation is July 21, 2025.

The intended use of this appraisal is for internal decision making. The intended user of this report is Newstar Development, LLC. No other use or users are intended.

The subject property is further described and identified by both legal and narrative descriptions within the text of the following appraisal report. Market value, fee simple interest, leased fee interest and other appraisal terms are defined within the text of the following appraisal report. General Assumptions and Limiting Conditions concerning the valuation of the subject property can be found following this section of the report. This is an Appraisal Report prepared under Standards Rule 2-2(a) and performed under Standard Rule 1 of the Uniform Standards of Professional Appraisal Practice (USPAP).

Gulf Breeze
We have formed the opinion that the market value of the fee simple interest in the subject site as if vacant, based on market conditions prevailing on July 21, 2025, was:

**TWO MILLION FIVE HUNDRED SEVENTY THOUSAND DOLLARS
($2,570,000)***

We have formed the opinion that the hypothetical market value of the leased fee interest in the subject property as an un-restricted market rent property, as is and as stabilized, including $430,103 in personal property, based on market conditions prevailing on July 21, 2025, was:

**TWENTY-NINE MILLION ONE HUNDRED NINETY THOUSAND DOLLARS
($29,190,000)***

We have formed the opinion that the hypothetical market value of the leased fee interest in the subject property, as restricted by the Housing Credit, SHIP, RRLP, Tax-Exempt Bond, FHLB AHP Loan and ACC programs, as if stabilized, including $430,103 in personal property, and with market financing, based on market conditions prevailing on July 21, 2025, was:

**NINE MILLION SIX HUNDRED SIXTY THOUSAND DOLLARS
($9,660,000)***

We have formed the opinion that the market value of the leased fee interest in the subject property, as restricted by the Housing Credit, SHIP, RRLP, Tax-Exempt Bond, FHLB AHP Loan and ACC programs, as is, including $430,103 in personal property, and with market financing, based on market conditions prevailing on July 21, 2025, was:

**NINE MILLION SIX HUNDRED THIRTY THOUSAND DOLLARS
($9,630,000)***

Oak Tree Village
We have formed the opinion that the market value of the fee simple interest in the subject site as if vacant, based on market conditions prevailing on July 21, 2025, was:

**NINE HUNDRED SIXTY THOUSAND DOLLARS
($960,000)***

*** Please see the Extraordinary Assumptions and Hypothetical Conditions.**

The following report was prepared in conformity with the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute. As such, it conforms to the Uniform Standards of Professional Appraisal Practice (USPAP) that became effective January 1, 2020. This report meets or exceeds the guidelines of Federal, Financial Institutions Reform, Recovery and Enforcement Act of 1989 (Title XI of FIRREA) and subsequent updates, as issued by the Office of the Comptroller of Currency and Newstar Development, LLC appraisal guidelines.

Based upon the steps and investigations taken to appraise the subject property, we are of the opinion we have complied with the Competency Provision of USPAP, as required by the FIRREA Act of 1989 and subsequent updates. This letter of transmittal precedes the appraisal report, further describing the subject property and containing the reasoning and pertinent data leading to the final value estimates.

Respectfully submitted,
Meridian Appraisal Group, Inc.

Robert Von, President
State-Certified General Real Estate Appraiser RZ1604

Erica A. Ernst, Senior Appraiser
State-Certified General Real Estate Appraiser RZ3560

RV:EAE:dmh

CERTIFICATION

The undersigned appraisers hereby certify the following to the best of their knowledge and belief.

- The statements of fact contained in this appraisal report (upon which the analyses, opinion and conclusions expressed herein are based) are true and correct.
- The analysis, opinions, and conclusion in the report are limited only by the assumptions and limiting conditions and any extraordinary assumptions if any, set forth, and are the personal, unbiased professional analyses, opinions and conclusions of the appraisers.
- The appraisers have no present or prospective interest in the subject property and have no personal bias with respect to the parties involved.
- The appraisers' compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.
- The reported analyses, opinions and conclusions were developed, and this appraisal report has been prepared in conformity with the requirements of the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute, which include the Uniform Standards of Professional Appraisal Practice, as promulgated by the Appraisal Standards Board of the Appraisal Foundation. The use of this report is subject to all regulations issued by the appropriate regulatory entities regarding the enactment of Title XI of the Financial Institution Reform, Recovery and Enforcement Act of 1989 (FIRREA).
- We do not authorize the out-of-context quoting from or partial reprinting of this appraisal report and neither all nor part of this appraisal report shall be disseminated to the general public by the use of any public communications media without the prior written consent of the undersigned appraisers.
- Use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- The undersigned President and Senior Appraiser certify that they have personally inspected the subject property and the comparables used within this report.
- No one other than the undersigned prepared the personal unbiased professional analyses, conclusions and opinions concerning real estate that are set forth in this appraisal report unless and except as acknowledged in this report.
- The appraisers have performed within the context of the competency provision of the Uniform Standards of Professional Appraisal Practice.
- This appraisal assignment was not made, nor was the appraisal rendered, on the basis of a requested minimum valuation, specific valuation or an amount which would result in approval of a loan.
- Robert Von, President, and Erica A. Ernst, Senior Appraiser, have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.

Property Location Gulf Breeze
The subject is located on the north side of Myrtle Street, the west side of Cooper Street, and the north and south side of Gulf Breeze Avenue, in Punta Gorda, Charlotte County, Florida.

Property Location Oak Tree Village
The subject is located on the east side of Dr. Martin Luther King Jr. Boulevard and the north and south side of Fitzhugh Avenue, in Punta Gorda, Charlotte County, Florida.

Certification (Cont'd)

Date of Valuation and Date of Report
The date of valuation for the subject is as of July 21, 2025, our most recent date of inspection of the subject property. The date of this report is August 11, 2025.

Final Value Conclusions*

Gulf Breeze – Value Estimated	Interest Appraised	Date of Value	Estimated Value*
Market Value of Subject Site As If Vacant	Fee Simple	July 21, 2025	$2,570,000*
Hypothetical Market Value, As Is/As Stabilized, Market	Leased Fee	July 21, 2025	$29,190,000*
Market Value As Is, As Restricted	Leased Fee	July 21, 2025	$9,630,000*
Hypothetical Market Value, As If Stabilized, As Restricted	Leased Fee	July 21, 2025	$9,660,000*

Oak Tree Village – Value Estimated	Interest Appraised	Date of Value	Estimated Value*
Market Value of Subject Site As If Vacant	Fee Simple	July 21, 2025	$960,000*

*** Please see the Extraordinary Assumptions and Hypothetical Conditions.**

Certified by
Meridian Appraisal Group, Inc.

Robert Von, President
State-Certified General Real Estate Appraiser RZ1604

Erica A. Ernst, Senior Appraiser
State-Certified General Real Estate Appraiser RZ3560

EXECUTIVE SUMMARY

Property Location Gulf Breeze
The subject is located on the north side of Myrtle Street, the west side of Cooper Street, and the north and south side of Gulf Breeze Avenue, in Punta Gorda, Charlotte County, Florida.

Property Location Oak Tree Village
The subject is located on the east side of Dr. Martin Luther King Jr. Boulevard and the north and south side of Fitzhugh Avenue, in Punta Gorda, Charlotte County, Florida.

Type of Property Gulf Breeze
The subject is a 171 unit apartment complex built in 2008. The subject sets aside 26 (15.205%) of the units for households earning 40% or less of the Area Median Income (AMI) and 142 (17.544%) of the units for households earning 60% or less of AMI. The subject also has three market rate units. Additionally, 85 of the subject units are part of the Public Housing program and receive an ACC subsidy. This subsidy is calculated annually and is based on a breakeven analysis.

Type of Property Oak Tree Village
Oak Tree Village is three parcels that together contain 2.673 acres. Oak Tree Village is approximately 0.175 miles northwest from Gulf Breeze apartments. Oak Tree Village was a 30-unit apartment complex, but the buildings were condemned after last year's hurricanes. The site has not been cleared. The site is now proposed for 64 units with a family demographic. The subject is proposed to be restricted by the Housing Credit and City of Punta Gorda Local Government Area of Opportunity programs. The developer plans that the project will have 30 project-based vouchers on site.

Highest & Best Use
The highest and best use in the "as if vacant" is multi-family development. The improvements consist of multi-family housing that is generally consistent with the ideal improvements.

Site Description Gulf Breeze
Gulf Breeze is irregular in shape and contains 12.130 acres. Gulf Breeze has frontage of 1,258.02' along the north side of Myrtle Street, 426.7' along the west side of Cooper Street, and 1,132.3' along the north and south side of Gulf Breeze Avenue. Gulf Breeze has two access points on the north side of Myrtle Street and one access point on the west side of Cooper Street.

Site Description Oak Tree Village
Oak Tree Village is irregular in shape and contains 2.673 acres. Oak Tree Village has frontage of 413.5' along the northwest side of East Charlotte Avenue and 413.5' along the northwest and southeast side of Fitzhugh Avenue. We were not provided with a site plan for the 64 units proposed on the site so we do not know how the property will be accessed. Oak Tree Village is located at several intersections of streets with multiple options for access. The site has adequate access.

We observed no apparent drainage problems when we inspected the subject. Both subject properties appear to be located within Zone "AE". Zone "AE" is an area within the 100-year flood plain; mandatory flood insurance purchase requirements appear to apply. It is zoned TPG-RE, Traditional Punta Gorda- Residential Edge, by the City of Punta Gorda. The future land use designation is Neighborhood Residential 15. Based on these investigations, we are of the opinion that the subject site is suitable for multi-family development.

Qualified Census Tract (QCT): No, 103.02

Difficult to Develop Area (DDA): No (Punta Gorda MSA)

Small Area DDA: No

Geographic Area of Opportunity: No

Improvement Analysis Gulf Breeze

The subject consists of 171 apartment units within 49 total apartment buildings. There are 43, two-story and six three-story apartment buildings. Additionally, the subject has a one-story clubhouse.

The subject sets aside 26 (15.205%) of the units for households earning 40% or less of the Area Median Income (AMI) and 142 (17.544%) of the units for households earning 60% or less of AMI. The subject also has three market rate units. Additionally, 85 of the subject units are part of the Public Housing program and receive an ACC subsidy. This subsidy is calculated annually and is based on a breakeven analysis. The subject is restricted by the Housing Credit, SHIP, RRLP, Tax-Exempt Bond and FHLB AHP Loan programs. The property has many different unit floor plans and sizes. We used weighted averages for each unit type in our unit mix below. The following is the subject's unit mix.

Unit Mix Summary			
Unit Type	**# Of Units**	**Unit Size (S.F.)**	**Total S.F.**
1/1	56	724	40,544
2/1.5	71	1,157	82,147
2/2	4	1,131	4,524
3/2	2	1,307	2,614
3/2.5	34	1,323	44,982
4/2.5	4	1,471	5,884
Total/Avg.	**171**	**1,057**	**180,695**

The total area within the units is 180,695 square feet, resulting in an average unit size of 1,057 square feet. The indicated density is 14.10 units per acre. The subject was built in 2008 and is currently 98% occupied.

The unit amenities include ceiling fans, refrigerators, dishwashers, microwaves, ovens/ranges, washer/dryer connections and blinds. First floor units have a front porch. The common amenities include a playground, volleyball court and a clubhouse with a community room, business center, fitness center, and leasing offices.

Interest Appraised

Leased Fee

Estimated Exposure Period

12 months

Date of Valuation and Date of Report

The date of valuation for the subject is as of July 21, 2025, our most recent date of inspection of the subject property. The date of this report is August 11, 2025.

Final Value Conclusions*

Gulf Breeze – Value Estimated	Interest Appraised	Date of Value	Estimated Value*
Market Value of Subject Site As If Vacant	Fee Simple	July 21, 2025	$2,570,000*
Hypothetical Market Value, As Is/As Stabilized, Market	Leased Fee	July 21, 2025	$29,190,000*
Market Value As Is, As Restricted	Leased Fee	July 21, 2025	$9,630,000*
Hypothetical Market Value, As If Stabilized, As Restricted	Leased Fee	July 21, 2025	$9,660,000*

Oak Tree Village – Value Estimated	Interest Appraised	Date of Value	Estimated Value*
Market Value of Subject Site As If Vacant	Fee Simple	July 21, 2025	$960,000*

*** Please see the Extraordinary Assumptions and Hypothetical Conditions.**

Exhibit N.

FINANCING COMMITMENTS

Churchill Stateside Group
Providing Experience & Integrity Since 2005

September 22, 2025

Newstar Development
4144 N Armenia Ave Ste 360
Tampa, FL 33607
Attn: Justin Corder

Re: Gulf Breeze Apartments – Tax-Exempt Construction to Permanent Financing Letter

Churchill Mortgage Investment LLC, a subsidiary of Churchill Stateside Group, LLC (collectively defined as the "Lender"), is pleased to provide this Conditional Commitment for construction and permanent financing under the Private Tax-Exempt Loan ("PTEL") Program for the aforementioned proposed affordable housing development.

The terms and conditions of the proposed financing are as follows:

Subject Property:	Gulf Breeze Apartments Punta Gorda, FL
Borrower:	Newstar Development
General Partner:	TBD
PTEL Overview:	Lender shall arrange a tax-exempt construction/permanent loan (the "Initial Funding Loan") to the "Governmental Lender". The proceeds of the Initial Funding Loan to the Governmental Lender will fund an interim or "construction" phase of the Funding Loan, by the Governmental Lender to the Borrower (the "Borrower Loan") for the Property described below. The Funding Loan and the Borrower Loan are collectively referred to herein as the "Loan." If required by Governmental Lender, a fiscal agent ("Fiscal Agent") will be appointed and will be responsible for following the terms of the Loan documents and administering funds held under the Initial Funding Loan Agreement. The Funding Loan will require an allocation of tax-exempt private activity bond volume cap, and will be funded on a "draw-down" basis. The Loan will have two distinct phases: (1) Pre-Conversion or "Construction" Phase - an initial phase during which funds will be advanced to Governmental Lender and loaned to the Borrower (possibly through a Fiscal Agent, at Governmental Lender's discretion) as described in the preceding paragraph. Payments during the Construction Phase will be interest only. (2) Permanent Phase - a subsequent phase when, upon completion of construction and achievement of stabilized operations and satisfaction of other conditions of Conversion (as defined below), the Loan will be paid down to a lower Permanent Phase amount as described below. Payments during the Permanent Phase will include principal reduction payments as well as interest.

Funding Loan Terms (Construction Phase)

Funding Loan Amount:	$32,000,000
Construction Phase Term:	36 months; interest only
Construction Interest Rate:	6.70%.
Lender Application Fee:	$15,000 due at acceptance of application by Borrower.
Lender Financing Fee:	1.00% of Loan amount
Recourse:	100% completion guarantee from Guarantor(s), joint and several.
Guarantor(s):	TBD.
Security:	First Deed of Trust with assignment of rents on the subject property and improvements to be constructed thereon; legal description to govern. Assignment of low income housing tax credits.

Permanent Loan Terms (Permanent Phase)

Permanent Loan Amount:	$10,250,000 (subject to LTV and DSCR constraints described below)
Term/Amortization:	16/40
Forward Period:	36 months. The Interest Rate will be locked for the Forward Period.
Permanent Period Interest Rate:	Based on a spread over the 10-year treasury. Current tax-exempt rate indication is 6.53%.
Loan-to-Value:	90% maximum
Debt Service Coverage Ratio:	1.20 standard; a DCR of 1.15 may be approved if (i) weighted average market rent advantage is 20% or more; (ii) Guarantor(s) have strong experience and financial wherewithal; (iii) market exhibits strong demand and other demographics; (iv) the community is compatible with surrounding land uses; and, (iv) the projected cash flow during the loan term using substantiated income and expense growth rates remains above a 1.05 for the loan term. The DCR requirement applies to all mandatory-pay debt service.
Loan Conversion Fee:	1.00% of loan amount.
Other Fees:	The Borrower shall be responsible for the Lender’s reasonable legal fees, all third party reports, and any other reasonable fees incurred during the processing of the Borrower’s application and the loan closing.
Prepayment:	Yield maintenance for the first 15 years, 1% for the next 2 years and 9 months, no premium or fee for the last 90 days.
Guarantors:	Same as above (non-recourse except for standard carve-outs)
Security:	First Deed of Trust with assignment of rents on the subject property and improvements to be constructed thereon; legal description to govern.
Contingency Reserve:	Minimum of 2% of the Construction Contract; released upon achievement of 90% occupancy for 90 days; funded at loan closing.

Funding of the Loan is conditioned upon, but not limited to, the following:

1. Receipt and review by Lender of all due diligence items and applicable third party reports;
2. Approval of the proposed transaction by Lender’s Investment Committee;
3. Resolution of all conditions set forth in the Lender Commitments; and,
4. Payment of all fees, escrows and reserve deposits required by the Lender.

This conditional commitment shall expire if all conditions set forth above are not met within one-hundred eighty (180) days from acceptance of the terms and conditions set forth herein, or it is mutually agreed by the Lender and Borrower to terminate this agreement. The Borrower can request up to three (3), one month extensions beyond the initial one-hundred eighty (180) day period. Said extensions shall be at the sole discretion of the Lender.

Thank you for the opportunity to provide financing for this project. Please let me know if you have any questions related to this matter.

Sincerely,

CHURCHILL MORTGAGE INVESTMENT, LLC
By:

Dan Duda
Executive Vice President

EXHIBIT O.

PRELIMINARY SYNDICATION
OFFERING STATEMENT

September 29, 2025

Brian Evjen
President
Newstar Development, LLC
4144 N Armenia Ave., Suite 360
Tampa, FL 33607

Re:	Project:	Gulf Breeze Apartments
	Partnership/Applicant:	Gulf Breeze Apartments Partners, Ltd.
	Fund:	To be determined
	Property Location:	City of Punta Gorda
	Number of Units:	171 Rental Units

Dear Mr. Evjen,

This letter of intent will confirm our agreement ("Agreement") whereby Raymond James Affordable Housing Investments, Inc. ("RJAHI") shall attempt to effect a closing ("Closing") of an investment by a Fund sponsored by RJAHI (the "RJAHI Fund") in the above named partnership ("Partnership") on the assumptions, terms, and conditions contained in this letter of intent, or such other assumptions, terms and conditions as are acceptable to you, RJAHI and the RJAHI Fund. The Applicant is the beneficiary of the equity proceeds.

Based upon the Partnership receiving the anticipated Housing Credit Request Amount of **$2,752,552,** and further based on terms and conditions as set forth below, the total anticipated total dollar amount of housing credit allocation to be purchased is **$27,522,492 ($27,525,520** total credits x 99.989%). The anticipated total amount of equity to be provided by RJAHI Fund to the Project is **$23,394,118** or approximately **$0.85** per low income housing tax credit allocated to the RJAHI Fund, subject to market conditions. The RJAHI Fund's net investment is anticipated to be funded based upon the following schedule:

- 15.00% **($3,509,119)** of total proposed equity will be paid prior to or simultaneously with the closing of construction financing
- 20.00% **($4,678,824)** of total proposed equity will be paid simultaneously with construction completion
- The remaining equity will be paid upon stabilized operations with customary holdback for receipt of 8609s

This letter of intent is subject to RJAHI's satisfactory completion of its normal due diligence, and is also subject to the approval by the Investment Committee of RJAHI of the terms and conditions of the investment in its sole discretion based on then current market conditions, including availability of investment funds and pricing for tax credits.

Since 1987, Raymond James Affordable Housing Investments and our affiliates have been involved with the development of affordable housing. We have provided equity for more than 2,300 properties nationwide. We look forward to working with you.

Sincerely,

Darryl Seavey
Managing Director Northeast Region
Raymond James Affordable Housing Investments, Inc.

Exhibit P.

CONSTRUCTION TIMETABLE

CONSTRUCTION TIMETABLE

- January 2026 – Begin Site & Building Design
- July 2026 – Complete Site & Building Design and submit for Permitting
- August 2026 – Complete Construction Pricing and Execute Construction Contract
- October 2026 – Building and Site Plan Approval and Permits Issued
- November 2026 – Close on Financing and Equity Investment and commence construction
- May 2027 – Begin Phased Lease-Up
- July 2028 – Construction Completion
- September 2028 – Achieve 100% Occupancy

EXHIBIT Q.

LEGAL DESCRIPTION

LEGAL DESCRIPTION

A part of the Southeast 1/4 of the Southeast 1/4 of Section 6, Township 41 South, Range 23 East, Charlotte County, Florida, being more particularly described as follows:

Commence at the Southeast corner of said Section 6, Township 41 South, Range 23 East, said corner being the intersection of the centerlines of Cooper Street (60 foot right-of-way) and Myrtle Street (60 foot right-of-way); thence North 0º 13'11" East, along the centerline of Cooper Street, 30.00 feet; thence North 89º 51'59" West, 30.00 feet to the intersection of the West right-of-way of Cooper Street and the North right-of-way of Myrtle Street for a POINT OF BEGINNING; thence North 89º 51'59" West along said North right-of-way of Myrtle Street, 1258.02 feet; thence North 0º 08'01" East, 187.23 feet; thence North 31º 47'59" West, 57.81 feet to the Southerly right-of-way of the Atlantic Coast Line Railroad (120 foot right-of-way); thence North 64º 57'11" East, along said Southerly railroad right-of-way 802.60 feet; thence South 0º 19'11" West, 208.00 feet; thence North 64º 57'11" east, 393.10 feet; thence South 0º 13'11" West, 208.13 feet; thence North 64º 57'11" East, 230.00 feet to the West right-of-way of Cooper Street; thence South 0º 13'11" West, along said West right-of-way of Cooper Street, 426.70 feet to the POINT OF BEGINNING.

All lying and being in Section 6, Township 41 South, Range 23 East, Charlotte County, Florida.

EXHIBIT R.

SURROUNDING PROPERTY OWNERS &
COMMUNICATION EFFORTS

SURROUNDING PROPERTY OWNERS & COMMUNICATION EFFORTS

The rehabilitation work planned for Gulf Breeze Apartments will primarily consist of interior improvements within the existing residential structures. Formal communication efforts to residents within 500 feet of the property have not yet been initiated due to the limited external impact of these activities. We anticipate that resident notification will become necessary when the scope of work expands to include roadway improvements and any related exterior infrastructure upgrades. At that time, we are committed to coordinating closely with the City of Punta Gorda's Public Works department to establish a comprehensive communication strategy that ensures all surrounding residents are properly informed of construction schedules, any potential road closures, detour routes, and the expected duration of roadway-related activities, minimizing inconvenience and maintaining transparent engagement with the neighboring community throughout the project.

EXHIBIT T.

COMPENSATION

T. State the amount of compensation paid by the Applicant and/or its affiliates, if any, to Philip L. Burnett, P.A., Nabors, Giblin & Nickerson, P.A., Raymond James & Associates, Inc., RBC Capital Markets, and First Southwest Company within the past five (5) years and the purpose for such payment. Further, describe the fee agreement or arrangement, if any, that the Applicant and/or its affiliates have with any of the parties named in the preceding sentence with respect to this proposed project.

Newstar has closed three bond developments over the past 5 years, which has included some of the parties named above. Below are the fees paid to each party for these separate bond transactions:

In August 2019, $25,000 was paid to Raymond James & Associates, Inc. as placement agent/deal coordinator of the Venetian Walk II Apartments closing. $66,000 was paid to Nabors Giblin & Nickerson as Bond Counsel to Lee County HFA and $40,525 was paid to Philip L. Burnett P.A as Issuers Counsel.

On December 14, 2021, $238,925 was paid to RBC Capital Markets as Bond Underwriter for Jordan Park closing.

On June 27, 2025, $97,000 was paid to Nabors Giblin & Nickerson as Bond Counsel to Alachua County HFA for Woodland Park II closing. In addition, $459,162.58 was paid to Raymond James & Associates for Bond Underwriting Fees/Expenses.

The Applicant does not have any fee agreement or arrangement with any of the parties named above with respect to Gulf Breeze.

EXHIBIT U.

SOURCES & USES

Gulf Breeze - Development Budget - 4% TC - 171 Family Rehab Units
9/30/2025

USES		
Building	$	26,620,000
Land	$	2,570,000
Existing Debt	$	2,308,500
Soft Costs (Financing, Legal, LIHTC admin, etc.)	$	12,678,085
Site Work / Demo	$	1,500,000
Construction (incl. general conditions, overhead, and profit)	$	13,000,000
Construction Contingency	$	2,175,000
Developer Fees	$	9,794,883
Working Capital	$	200,000
Relocation	$	500,000
Reserves	$	1,094,563
TOTAL USES	**$**	**72,441,031**
SOURCES		
Perm Loan (6.53%, 40 yrs.)	$	10,250,000
RRLP - Supplemental Loan	$	2,308,500
PGHA Loan (Appraised Value)	$	29,190,000
Accrued Capital Interest	$	1,459,500
Existing Reserves	$	856,981
Fed Tax Credit Equity	$	23,394,118
Reinvestment Interest	$	1,306,658
Deferred Developer Fee (paid from operational cash flow)	$	3,675,273
TOTAL SOURCES	**$**	**72,441,031**

EXHIBIT “C”

FORM OF EXPENSE AND INDEMNITY AGREEMENT

Housing Finance Authority of Lee County, Florida

RE: HOUSING FINANCE AUTHORITY OF LEE COUNTY, FLORIDA MULTIFAMILY HOUSING REVENUE BONDS

Ladies and Gentlemen:

The undersigned (the "Applicant") has requested that the Housing Finance Authority of Lee County, Florida (the "Authority") accept, review and consider its application for the issuance of bonds by the Authority for the benefit of the Applicant, and as an inducement to such acceptance, review and consideration Applicant hereby agrees with the Authority as follows:

Section 1. Payment Expenses. Whether or not the Applicant is induced, a Volume Cap allocation is requested on behalf of the Applicant, the Bonds are offered, sold or issued, the Applicant agrees to pay and be liable for, and to hold the Authority harmless against the payment of, any and all fees, costs and expenses related to the bond issue, including, without limitation, the fees of Bond Counsel, Credit Underwriter, Underwriters, Financial Advisor, Counsel to the Authority, recording charges, expenses of printing offering circulars or official statements, the cost of printing the bonds and advertising the sale thereof.

Section 2. Indemnity. Whether or not the Applicant is induced, a Volume Cap allocation is requested on behalf of the Applicant, the Bonds are offered, sold or issued, the Applicant agrees to pay (a) all Project costs which are not or cannot be paid or reimbursed from the proceeds of obligations issued by the Authority, and (b) at all times to indemnify and hold harmless the Authority, each of its members, officers, agents, financial advisors, attorneys and employees against any and all claims, losses, costs, damages, expenses and liabilities of whatsoever nature or kind, directly or indirectly, arising out of the Applicant’s application or related matters, or the issuance of the Bonds, including, without limitations, alleged tortuous conduct or breach of contractual relationships, whether predicated upon federal or state statutes, common law, principles of equity or otherwise. In furtherance of the foregoing, the Applicant agrees to pay any and all attorneys' fees, litigation and court costs, including those relating to appeals and bankruptcy, incurred in the defense of any of the claims hereinabove enumerated, amounts paid in settlement, and amounts paid to discharge judgments, upon the Authority’s written demand thereof. It is also understood that additional indemnity agreements may be required by you from the Applicant or others, such as guarantors, prior to the final approval of such Application.

It is further understood and agreed that the Authority or any of the persons hereinabove indemnified shall be entitled to retain counsel acceptable to the Authority or them to defend any such claim.

Section 3. Survival of Agreement. This Agreement shall survive the closing of the bond issue and shall not merge into or be superseded by any other agreement other than by a written amendment hereto specifically denominated as such and executed by the Authority and the Applicant.

Dated: ______________________

NAME OF APPLICANT:

____

____

By:_____________________________

Title:_________________________

- **ATTACH THIS FORM TO THE BOND APPLICATION AS EXHIBIT "C"**
- **AN ORIGINAL SIGNATURE IS REQUIRED ON THIS FORM- ATTACH AN EXECUTED VERSION OF THIS FORM WITH AN ORIGINAL SIGNATURE WITHIN THE ORIGINAL BOND APPLICATION**
- **PHOTOCOPIES OF THIS EXECUTED FORM MAY BE ATTACHED WITHIN THE** 12 COPIES **OF THE APPLICATION**